

Jordan School District

9361 South 300 East
Sandy, Utah 84070
(801) 567-8100

**COMPREHENSIVE
ANNUAL FINANCIAL
REPORT**

For the Fiscal Year Ended June 30, 2006

Prepared by the Office of the
Deputy Superintendent for Business Services

D. Burke Jolley

TABLE OF CONTENTS

SECTION I – INTRODUCTORY

Letter of Transmittal	1
Synopsis of Administrative Responsibilities	6
Line Staff Organization	8
Certificate of Achievement for Excellence in Financial Reporting – Government Finance Officers Association (GFOA)	9

SECTION II – FINANCIAL

Independent Auditor's Report	11
Management's Discussion and Analysis	13
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	22
Statement of Activities	23
Fund Financial Statements:	
Balance Sheet – Governmental Funds	24
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	25
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	26
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	27
Statement of Revenues, Expenditures, and Changes in Fund Balances– Budget and Actual – General Fund	28
Statements of Fund Net Assets – Proprietary Fund	29
Statements of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Fund	30
Statements of Fund Cash Flows – Proprietary Fund	31
Statement of Fiduciary Fund Net Assets – Agency Fund	32
Notes to Basic Financial Statements	33
Combining and Individual Fund Financial Statements and Schedules:	
Nonmajor Governmental Funds:	46
Combining Balance Sheet	47
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	48
Schedule of Revenues, Expenditures, and Changes in Fund Balances– Budget and Actual – Nutrition Services	49
Schedule of Revenues, Expenditures, and Changes in Fund Balances– Budget and Actual – Non K-12 Programs	50
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances – Jordan Education Foundation	51

Major Governmental Funds:	52
Schedule of Revenues, Expenditures, and Changes in Fund Balances– Budget and Actual – Debt Service Fund	53
Schedule of Revenues, Expenditures, and Changes in Fund Balances– Budget and Actual – Capital Projects Fund	54
Fiduciary Funds:	55
Statement of Changes in Assets and Liabilities – Student Activities Agency Fund	56

SECTION III – STATISTICAL (UNAUDITED)

Statistical Section – Table of Contents	59
Net Assets by Component	61
Changes in Net Assets	62
Fund Balances, Governmental Funds	63
Changes in Fund Balances, Governmental Funds	64
Assessed Value and Estimated Actual Value of Taxable Property	65
Direct and Overlapping Property Tax Rates	66
Some of the Principal Property Tax Payers	67
Property Tax Levies and Collections (detail)	68
Property Tax Levies and Collections (summary)	70
Ratios of Outstanding Debt	71
Direct and Overlapping Governmental Activities Debt	72
Legal Debt Margin Information	73
Debt Service Schedule of Outstanding General Obligation Bonds	74
Demographic and Economic Statistics	76
Some of the Principal Employers	77
Full-time Equivalents	78
Expenses by Function – Statement of Activities	79
Expenses by Function Per Pupil – Statement of Activities	80
Expenditures by Function – General Fund	81
Expenditures by Function Per Pupil – General Fund	82
Nutrition Services – Facts and Figures	83
Student Enrollment Statistics	84
History of High School Graduates	85
Number of Students Per Teacher	86
Teacher Compensation Data	87
Capital Asset Information	88
Statements of Net Assets – Governmental Activities	89
General Fund – Comparative Balance Sheets	90
General Fund – Comparative Statements of Revenues, Expenditures, and Changes In Fund Balances	91
Historical Summaries of Taxable Values of Property	92

Jordan School District

A Full Spectrum of Educational Opportunities



9361 South 300 East, Sandy, Utah 84070-2998
Phone (801) 567-8100 Fax (801) 567-8078

October 4, 2006

Members of the Board of Education Jordan School District

The Comprehensive Annual Financial Report of the Jordan School District for the fiscal year ended June 30, 2006, is submitted herewith.

The report is prepared in accordance with principles of accounting and financial reporting generally accepted in the United States of America applicable to governmental units. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. The District believes that the presentation of the report is accurate in all material respects, and that the financial position and results of operations of the various funds are presented fairly. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities are included.

Report Format

Designed to meet the needs of a broad spectrum of readers of financial statements, this Comprehensive Annual Financial Report is divided into three major sections:

1. **Introductory Section**—As the title indicates, this section introduces the reader to the report and includes this transmittal letter, the organization chart of the District with a summary of administrative responsibilities, and the Certificate of Achievement for Excellence in Financial Reporting awarded to Jordan School District by the Government Finance Officers Association.
2. **Financial Section**—This section includes the independent auditor's report, management's discussion and analysis, the basic financial statements (which includes the government-wide financial statements, the fund financial statements, and the notes to the basic financial statements), and supplementary information (the combining and individual fund statements and schedules).
3. **Statistical Section**—Although this section contains substantial financial information, these tables differ from financial statements in that they present non-accounting data, cover several years, and are designed to reflect social and economic data and financial and fiscal trends, as well as the fiscal capacity of the District.

Internal Accounting Control

The District's internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition, and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets.

District Administration

Barry L. Newbold, Ed.D., Superintendent of Schools
D. Burke Jolley, Deputy Superintendent for Business Services
Sherry Wasden, Deputy Superintendent for Instructional Services

Anthony Godfrey, Executive Director of Alta K-12 Feeder System
J. Calvin Evans, Executive Director of Compliance and Special Programs
Theresa Gotay, Executive Director of Jordan K-12 Feeder System
Dana Bickmore, Ph.D., Executive Director of Curriculum and Staff Development
R. Thomas Hicks, Executive Director of Brighton K-12 Feeder System
Moya Kessig, Executive Director of Human Resources
June LeMaster, Ph.D., Executive Director of Hillcrest K-12 Feeder System
Kerrie Naylor, Ph.D., Executive Director of Bingham K-12 Feeder System
Frank W. Shaw, Ph.D., Executive Director of Copper Hills K-12 Feeder System
Bevan Wasden, Executive Director of West Jordan K-12 Feeder System
David G. Stoddard, Executive Director of Riverton K-12 Feeder System
John Taylor, Executive Director of Auxiliary Services

Independent Audit

As required by Utah State law, an annual audit of the financial records, books of account, and the transactions of all administrative departments of Jordan School District was made by an independent auditor in accordance with the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller of the United States. The auditor's opinion, as prepared by Squire & Company, PC, is included within the Financial Section of this report. The independent audit of the financial statements of the District was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. Furthermore, the auditors review certain elements of state legal compliance. The Single Audit and State Legal Compliance reports are issued separately.

Management's Discussion and Analysis

Accounting principles generally accepted in the United States of America require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of management's discussion and analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in connection with it. The District's MD&A can be found immediately following the report of the independent auditor.

Background

Jordan School District was established in 1905 and provides elementary and secondary education. The District is located approximately 12 miles south of Salt Lake City and is comprised of urban, suburban, and rural areas encompassing the towns of Alta, Bluffdale, Copperton, Cottonwood Heights, Draper, Herriman, Midvale, Riverton, Sandy, South Jordan, and West Jordan, as well as surrounding unincorporated areas of Salt Lake County.

The State of Utah has 40 school districts with Jordan being the largest. Approximately 80,000 students are enrolled in the District. For the 2005-06 school year, the District had 87 schools—55 elementary schools, 17 middle schools, 10 high schools, 2 technical centers, and 3 special education schools. The average age of the District's 95 buildings is over 27 years.

The Reporting Entity

Jordan School District is a legally separate entity enjoying all rights and privileges accorded political subdivisions in the State of Utah. The District is fiscally independent and is governed by a Board of Education that is comprised of seven elected board members. The Board establishes District policies, determines its own budget, levies taxes, incurs bonded debt, and is independent of any other unit of local government.

Budget Control

The District adopts an annual budget for all revenues and expenditures, which acts as the financial operating plan for the entire year. State law requires a balanced budget. Utah Code Annotated, Section 53A-19-104, states, "A local school board may not make any appropriation in excess of its estimated expendable revenue, including undistributed reserves." The level of legal budgetary control is at the overall fund level. For further details on the budget, please see the notes to the basic financial statements.

Prospects for the Future

The District is optimistic about the future. The State of Utah and Wasatch Front continue to be excellent locations to do business. Enrollment growth is continuing in the District's northwest and southwest areas with some declining enrollments in other areas. Total enrollment is expected to increase about 2,400 students next year. Notwithstanding this growth, the District may need to close schools in declining enrollment areas. The District's assessed valuation is steadily increasing as a result of residential development and increased activity in business and industry. The assessed valuation reached \$21.5 billion in 2005-06, an increase of 9.4 percent compared to 2004-05. Most of this growth in assessed valuation is offset by a corresponding reduction in the tax rate as required by State statute. However, the District is able to benefit from the increase in assessed valuation associated with new residential and commercial development. The new growth for 2006, 2005, and 2004 was \$1,224.7 million, \$686.8 million, and \$890.2 million, respectively.

The 2006 legislature increased the value of the weighted pupil unit (WPU) by 6.0 percent to \$2,417 for the 2006-07 school year. It is anticipated that the 2007 legislature will increase this appropriation by about three percent to \$2,490 for the 2007-08 school year.

Debt Administration

The District issues general obligation bonds to finance the construction and renovation of buildings, to purchase land, and equip schools. For details on the debt financing of the District, please see management's discussion and analysis and the notes to the basic financial statements.

Cash Management

The District primarily invests cash with the Utah Public Treasurers' Investment Fund that is available for use by all funds. The District's investment policies are governed by the Utah State Money Management Act (Utah Code Annotated 1953, Title 51, Chapter 7) in handling its depository and temporary investment transactions. The District has minimized the concern about uninsured or uncollateralized deposits by following the requirements of the Utah State Money Management Act. For details on what this law requires, please see the notes to the basic financial statements. In addition, the District has its own written investment policies which include making periodic reports to the Board of Education indicating fair values, maturity dates, yields, etc.

Risk Management

The District participates in the State Risk Management system. This is a pooled arrangement where participating entities pay annual premiums which are designed to pay claims and build sufficient reserves so the system will be able to protect the participating entities with its own capital. The District is self-insured for health and accident coverage provided to eligible employees. All employees are covered by the District's self-insured workers' compensation program. Unemployment compensation is handled on a cost-of-benefits reimbursement basis with the State of Utah.

Post-Employment Benefits

The District provides post-retirement benefits for eligible retirees, which are financed on a pay-as-you-go basis. The Board of Education modified these benefits on February 21, 2006. Additional information on these changes can be found in management's discussion and analysis and in the notes to the basic financial statements. The District designated \$23.2 million in the General Fund for these benefits to assist in the transition.

Major Initiatives and Events

On February 4, 2003, voters in the District approved a \$281 million bond initiative and an increase of the Voted Leeway tax rate by 0.000600. The bond initiative passed with a 70 percent approval rating and the tax increase passed with a 60 percent approval rating. The proceeds from the sale of bonds will be issued over the next several years to help finance new school construction, renovate existing schools, purchase additional school sites, and to equip schools. Bonds issued are as follows: \$10 million in May 2003, \$20 million in September 2003, \$15 million in October 2004, and \$25 million in October 2005. The remaining \$211 million is expected to be issued over the next four years. The increase in the Voted Leeway tax rate was to be phased in over ten years in three steps of 0.000200 to fund the operating costs of new schools. The first of these steps was implemented in the fiscal year ended June 30, 2005.

Effective June 30, 2005, the District closed two elementary schools in declining enrollment areas. Students enrolled in these schools were transferred to nearby schools where enrollment was also below capacity. As of June 30, 2006, the District was at varying phases of construction on five new buildings in higher enrollment areas. Two of these buildings opened for the 2006-07 school year.

Challenges Facing the District

The District faces a major challenge with its student population. Estimated enrollment for the 2006-07 school year is 78,802. This is 1,530 more students than the District enrolled in the 2005-06 school year and represents an increase of 2.0 percent. The net increase in students does not portray the changes in growth patterns by level or administrative areas. Generally speaking, the southwest and northwest areas of the District are experiencing student enrollment growth, while the northeast and southeast areas are declining. New schools must continue to be built in high growth areas because the geographic size of the District makes long-term busing from one area to another impractical from the standpoint of both time and cost. A significant challenge to the District is to plan for building needs in growth areas while also addressing the potential need to close schools in declining enrollment areas.

Long-term Financial Planning

The District's growth requires new construction of schools. The Capital Projects Fund balance is at an all-time high in preparation for this anticipated construction and due to construction delays. These new schools will require funds for annual operations and maintenance. The District has anticipated these costs and received voter approval for increasing the Voted Leeway. The District has experienced three consecutive years of loss in the District's Internal Service Fund – Self Insurance, causing the fund balance to fall to a six-year low. Therefore, the District has designated \$5 million in the General Fund, under Programs, to assist the Self Insurance Fund should it be needed. The Debt Service Fund had an unintentional build-up of fund balance due to higher than anticipated tax proceeds and bonds not issued as anticipated. The Debt Service tax rate was lowered for fiscal year 2006-07.

GFOA Certificate

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Jordan School District for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2005. This was the twentieth consecutive year that Jordan School District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgement

The preparation of the report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the business department. We would like to express appreciation to all of the members of the departments who assisted in the timely closing of the District's financial records and the preparation of this report.

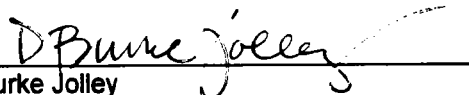
Special appreciation is expressed to Larry W. Johnston, CPA, Director of Accounting, Budgets, and Audits; John N. Larsen, CPA, Accountant/Internal Auditor; and Jeri Clayton, Administrative Secretary, for their contribution in the preparation of this report.

We would also like to thank our Board president and other members of the Board of Education for their interest and support in conducting the financial affairs of Jordan School District for the 2005-06 fiscal year.

Respectfully submitted,



Barry L. Newbold, Ed.D.
Superintendent of Schools



D. Burke Jolley
Deputy Superintendent for Business Services

JORDAN SCHOOL DISTRICT

SYNOPSIS OF ADMINISTRATIVE RESPONSIBILITIES

The following information is a synopsis of the positions identified on the line/staff chart on page 8, including titles, names, and primary areas of responsibility. Board members are listed first, followed by cabinet level positions.

Board of Education

Board President Peggy Jo Kennett
Mrs. Kennett represents Precinct 1. Her term of office is 2003-2006.

Board Vice President Ellen S. Wallace
Mrs. Wallace represents Precinct 2. Her term of office is 2003-2006.

Board Member Randy S. Brinkerhoff
Mr. Brinkerhoff represents Precinct 7. His term of office is 2005-2008.

Board Member J. Dale Christensen, Ed.D.
Dr. Christensen represents Precinct 5. His term of office is 2005-2008.

Board Member Ann C. Forbush
Mrs. Forbush represents Precinct 3. Her term of office is 2003-2006.

Board Member Lynette Phillips
Ms. Phillips represents Precinct 6. Her term of office is 2003-2006.

Board Member Sherril H. Taylor
Mr. Taylor represents Precinct 4. His term of office is 2005-2008.

Cabinet

Superintendent Barry L. Newbold, Ed.D.
Originally appointed July 1, 1996. Serves as the chief executive officer for the school system and is responsible for implementation of Board policies and all administrative procedures.

Deputy Superintendent – Business Services D. Burke Jolley
Originally appointed July 1, 1998. Manages all activities related to finances, school board meetings, elections, tax assessments, and other general business matters.

Deputy Superintendent – Instructional Services Sherry J. Wasden
Provides support for the Office of the Superintendent. Administers all areas of instructional support, supervises needs assessment, goal setting, program evaluation, and long-range planning.

Executive Director – Auxiliary Services John M. Taylor
Administers maintenance services related to keeping schools, offices, and other buildings open, comfortable, and safe for use. Administers operation of the following departments: Energy, New Construction, Maintenance, Custodial, Transportation, and Nutrition Services.

Executive Director – Compliance and Special Programs J. Calvin Evans
Ensures the District's compliance with federal and state rules and regulations and provides administrative support for Special Education and other special programs.

JORDAN SCHOOL DISTRICT

Executive Director – Curriculum and Staff Development..... Dana L. Bickmore, Ph.D.

Administers instructional and educational support services including the development, preparation, and presentation of special curriculum materials and providing assistance to teachers in the instructional process. Administers services related to instructional support, alternative language programs, career technology, and federal program administration.

Executive Director – Human Resources..... Moya R. Kessig

Administers personnel, including hiring staff, implementing personnel policies, negotiating contracts, and maintaining personnel records.

Executive Directors – K-12 Feeder Systems

Alta..... Anthony A. Godfrey

Bingham..... Kerrie Naylor, Ph.D.

Brighton..... Thomas R. Hicks

Copper Hills..... Frank W. Shaw Ph.D.

Hillcrest..... June M. LeMaster, Ph.D.

Jordan..... Theresa R. Gotay

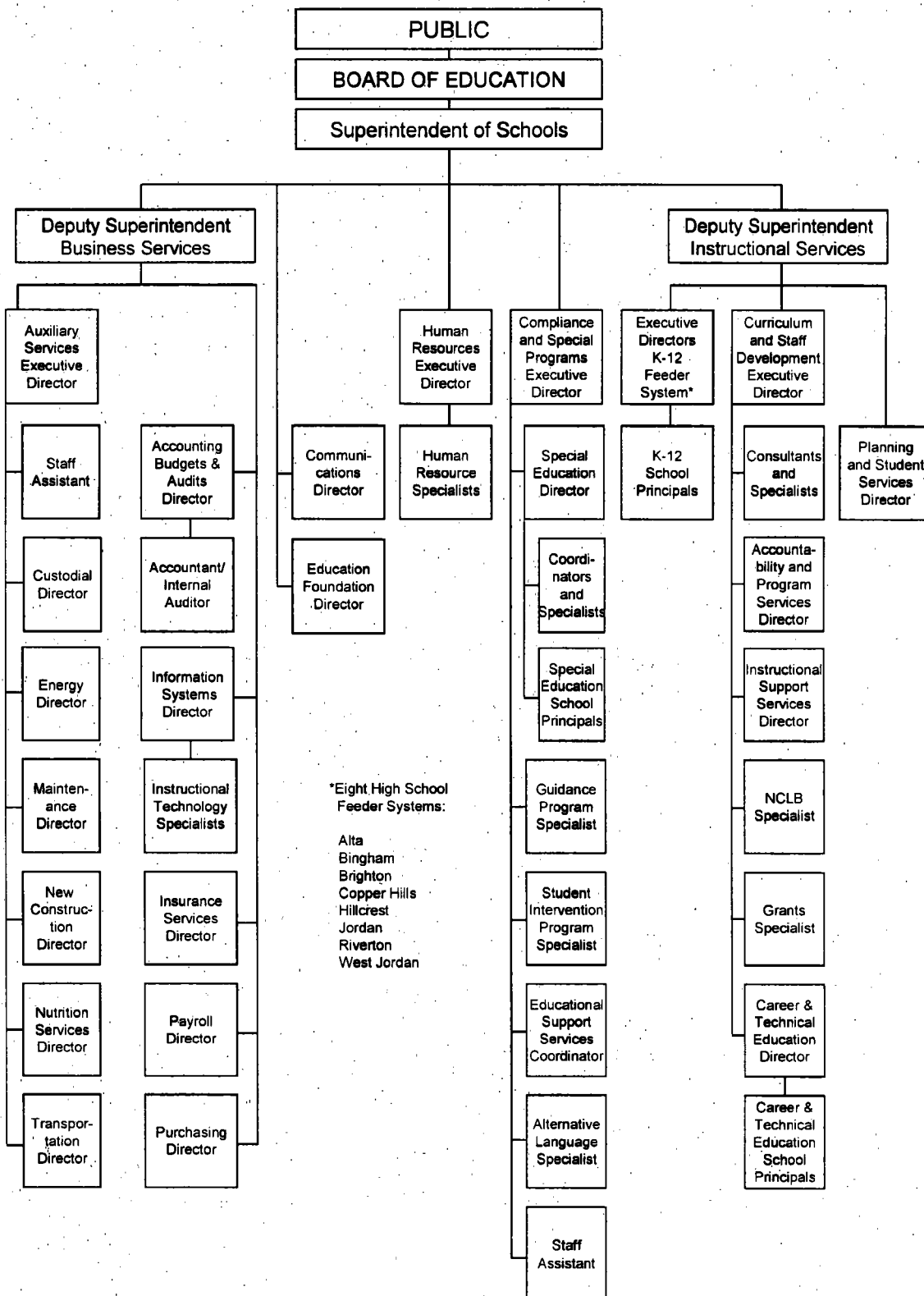
Riverton..... David G. Stoddard

West Jordan..... Bevan J. Wasden

Supervises improvement of instruction and directs and manages activities related to education in all schools for students in grades kindergarten through twelve.

LINE/STAFF ORGANIZATION

2006-07



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Jordan School District
Utah

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2005

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A handwritten signature in cursive script, likely belonging to the President of the GFOA.

President

A handwritten signature in cursive script, likely belonging to Jeffrey R. Emer.

Executive Director

JORDAN SCHOOL DISTRICT

This page intentionally left blank.



Independent Auditor's Report

Board of Education
Jordan School District

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jordan School District (the District), as of and for the year ended June 30, 2006, and the proprietary fund financial statements of the District as of and for the year ended June 30, 2005, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of District management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2006, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, the 2005 proprietary fund financial statements referred to above present fairly, in all material respects, the financial position of the proprietary fund of the District as of June 30, 2005, and the changes in financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 14, 2006 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's discussion and analysis which follows this report is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Agui & Company, P.C.

September 14, 2006

JORDAN SCHOOL DISTRICT

Management's Discussion and Analysis

As management of the Jordan School District (District), we offer readers of the District's financial statements this narrative discussion, overview, and analysis of the financial activities of the District for the fiscal year ended June 30, 2006. We encourage readers to consider the information presented here, in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1 through 5 of this report.

Financial Highlights

- On February 21, 2006, the Board of Education voted to modify the post-employment benefits provided by the District. The changes are effective for those retiring after June 30, 2006. Effectively, the changes will eliminate these benefits over a period of time by freezing the benefit each future retiree would receive based on the June 30, 2006 tenure, salary, and health insurance costs. The costs of these benefits have increased an average of 17 percent a year over the past decade.
- On October 18, 2005, the District issued \$25.0 million of general obligation school building bonds. The building bonds are to help finance the building or renovation of schools, the purchase of building sites, and to equip schools. The bonds are scheduled to be repaid over the next 15 years and bear interest from 3.5 to 4.125 percent.
- During this past fiscal year, the District started construction on two elementary schools and one alternative high school, continued construction on two elementary schools, and completed construction on one elementary school, two middle schools, and one special school. Total additions to capital assets (sites, improvements, buildings, equipment, and vehicles) were \$61.8 million for the year.
- The District's total net assets increased by \$61.4 million. This increase was due to a \$29.7 million net increase in capital assets net of depreciation, a \$0.6 million net decrease in bonds payable, a \$29.0 million increase in restricted net assets, mostly due to a slowing of construction and bond related expenses, and \$2.1 million increase in unrestricted net assets, mostly due to the positive variances of expenditures in the general fund.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements – The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the assets and liabilities of the District, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the net assets of the District changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

JORDAN SCHOOL DISTRICT

The government-wide financial statements can be found on pages 22 through 23 of this report.

Fund financial statements – A *fund* is a group of related accounts that is used to maintain control over resources that are segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds – *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the debt service fund, and the capital projects fund, each of which are considered to be major funds. Individual fund data for the debt service fund and the capital projects fund is provided in the form of *individual fund schedules* found on pages 53 through 54 of this report. Data from the other three governmental funds (the special revenue funds) are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of *combining and individual fund statements and schedules* found on pages 47 through 51 of this report.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison statement is provided, on page 28, for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 24 through 28 of this report.

Proprietary funds – The District maintains one proprietary fund type. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses one internal service fund (the self-insurance fund) to account for employee health and accident benefit services provided to all the other funds of the District. This internal service fund is included within *governmental activities* in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 29 through 31 of this report.

Fiduciary funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are not available to support the District's own programs.

The District uses an agency fund (the student activities fund) to account for resources held for student activities and groups.

Individual fund data for the agency fund is provided in the form of an *individual fund statement* on pages 56 through 58 of this report. The basic fiduciary fund financial statement can be found on page 32 of this report.

JORDAN SCHOOL DISTRICT

Notes to the basic financial statements – The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 33 through 43 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$662.1 million at the close of the most recent fiscal year.

Jordan School District's Net Assets June 30, 2006 and 2005

	<u>Governmental activities</u>		<u>Increase (decrease) from fiscal 2005</u>
	<u>2006</u>	<u>2005</u>	
Current and other assets	\$ 442,079,229	\$ 387,434,046	\$ 54,645,183
Capital assets	659,363,769	629,698,460	29,665,309
Total assets	1,101,442,998	1,017,132,506	84,310,492
Other liabilities	241,702,220	235,665,350	6,036,870
Long-term liabilities outstanding	197,686,280	180,782,200	16,904,080
Total liabilities	439,388,500	416,447,550	22,940,950
Net assets:			
Invested in capital assets, net of related debt	488,676,500	458,415,301	30,261,199
Restricted	97,215,481	68,217,842	28,997,639
Unrestricted	76,162,517	74,051,813	2,110,704
Total net assets	<u>\$ 662,054,498</u>	<u>\$ 600,684,956</u>	<u>\$ 61,369,542</u>

The largest portion of the District's net assets (74 percent) reflects its investment in capital assets (e.g., sites, site improvements, buildings, equipment, and vehicles, net of accumulated depreciation), less any related debt (general obligation bonds payable less unspent bond proceeds) used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are *not* available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net assets (15 percent) represents resources that are subject to external restrictions on how they may be used. The majority of the restricted balance is for capital projects. The remaining balance of the District's net assets is unrestricted net assets (11 percent). Unrestricted net assets may be used to meet the District's ongoing obligations to students, employees, creditors, and to honor next year's budget.

At the end of the current fiscal year, the District is able to report positive balances in all three categories of net assets, both for the District as a whole, as well as for its separate governmental activities. The same situation held true for the prior fiscal year.

Restricted net assets increased by \$29.0 million during the year ended June 30, 2006. This increase is largely the result of fewer construction projects with steady capital project revenues.

JORDAN SCHOOL DISTRICT

Unrestricted net assets increased by \$2.1 million during the current fiscal year. This increase is mostly due to the results of operations in the general fund providing significant positive variances in most of the expenditure functions, especially the instruction function.

Jordan School District's Changes in Net Assets Years Ended June 30, 2006 and 2005

	<u>Governmental activities</u>		Increase (decrease) from fiscal 2005
	<u>2006</u>	<u>2005</u>	
Revenues:			
Program revenues:			
Charges for services	\$ 17,282,016	\$ 15,782,401	\$ 1,499,615
Operating grants and contributions	99,726,846	96,484,167	3,242,679
Capital grants and contributions	1,297,495	2,185,372	(887,877)
General revenues:			
Property taxes	181,499,274	168,883,000	12,616,274
Federal and state revenue not restricted to specific purposes	194,760,557	184,408,604	10,351,953
Interest	11,154,226	5,680,033	5,474,193
Miscellaneous	8,285,023	5,657,325	2,627,698
Total revenues	<u>514,005,437</u>	<u>479,080,902</u>	<u>34,924,535</u>
Expenses:			
Instruction	294,226,262	260,246,692	33,979,570
Supporting services:			
Students	11,242,436	10,966,878	275,558
Instructional staff	22,162,252	20,729,394	1,432,858
General district administration	3,630,248	3,400,182	230,066
School administration	25,819,859	24,631,791	1,188,068
Accounting and purchasing	3,506,613	3,323,189	183,424
Operation and maintenance of school buildings	41,118,706	37,139,774	3,978,932
Student transportation	14,410,011	12,820,032	1,589,979
Personnel, planning, and data processing	5,922,790	5,637,806	284,984
Other	-	163,750	(163,750)
Nutrition services	22,521,782	21,207,773	1,314,009
Interest on long-term liabilities	8,074,936	8,478,782	(403,846)
Total expenses	<u>452,635,895</u>	<u>408,746,043</u>	<u>43,889,852</u>
Increase in net assets	<u>61,369,542</u>	<u>70,334,859</u>	<u>(8,965,317)</u>
Net assets - beginning	<u>600,684,956</u>	<u>530,350,097</u>	<u>70,334,859</u>
Net assets - ending	<u>\$ 662,054,498</u>	<u>\$ 600,684,956</u>	<u>\$ 61,369,542</u>

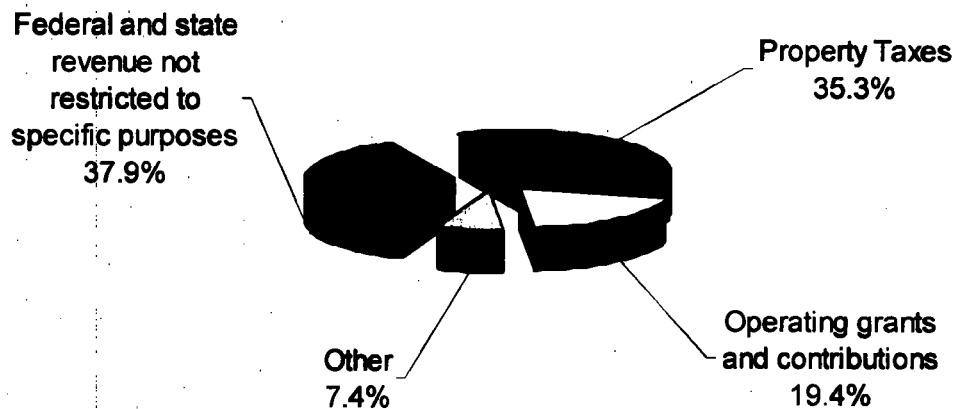
Governmental activities – The key elements of the increase of the District's net assets for the year ended June 30, 2006, are as follows:

- The largest dollar increase in revenues came from local property taxes. This is due to new taxable property within the District's boundaries. The District also received increased funding from State and Federal sources in the form of grants and general revenues.

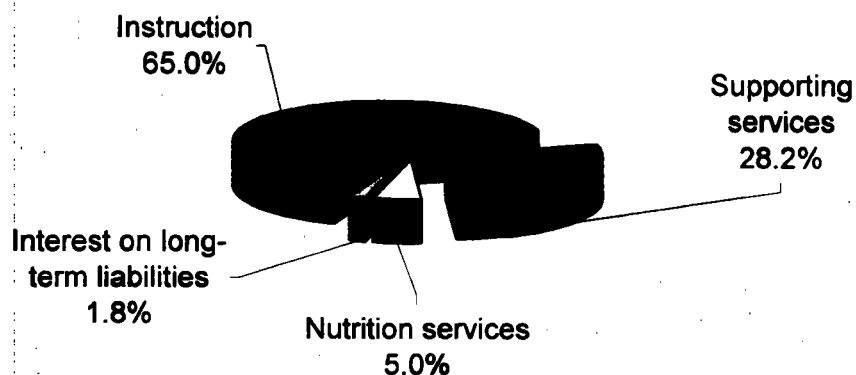
JORDAN SCHOOL DISTRICT

- Expenses generally increased over the prior year. This is mostly due to increases associated with salaries, insurance costs, student growth, number of personnel, building maintenance, student transportation, and technology costs.

Jordan School District Revenues by Source - Governmental Activities Year Ended June 30, 2006



Jordan School District Expenses by Function - Governmental Activities Year Ended June 30, 2006



Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds – The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. At June 30, 2006, the District's governmental funds reported a combined fund balance of \$195.3 million, \$49.1 million higher than the previous year. Included in this year's change in the combined fund balance is an increase of \$23.6 million in funds restricted for capital

JORDAN SCHOOL DISTRICT

projects, and an increase of \$20.0 million in the general fund due to positive budget variances. In addition, the following changes in revenues and expenditures should be noted:

- Property tax revenues increased by \$12.2 million or 7.2 percent, due to new taxable property within the District.
- State aid increased by \$12.3 million or 4.9 percent, primarily as a result of increased state funding of Regular Basic K-12 and the Social Security/Retirement programs.
- Expenditures for the general fund totaled \$365.4 million, an increase of 5.3 percent during the fiscal year. Instruction represents 66.7 percent of general fund expenditures.
- General fund salaries totaled \$221.0 million while the associated fringe benefits of retirement, social security, unemployment, industrial insurance, and health and accident insurance added \$96.2 million to arrive at 86.8 percent of total general fund expenditures.
- Capital projects fund expenditures were \$23.2 million under budget due to planned construction projects not taking place. Expenditures were \$16.1 million less than the prior year.

Governmental funds report the differences between their assets and liabilities as fund balance, which is divided into reserved and unreserved portions. Reservations indicate the portion of the District's fund balances that are not available for appropriation. The unreserved fund balance is, in turn, subdivided between designated and undesignated portions. Designations reflect the District's self-imposed limitation on the use of otherwise available expendable financial resources in governmental funds. Undesignated balances in the general fund are required by state law to be appropriated in the following year's budget. Fund balances of debt service, capital projects, and other governmental funds are restricted by state law to be spent for the purpose of the fund and are not available for spending at the District's discretion. At June 30, 2006, the District's combined governmental fund balance is \$195.3 million (\$93.7 million in reserved fund balance, \$65.9 million in designated fund balance, and \$35.7 million in undesignated, unreserved fund balance).

General Fund Budgetary Highlights

During the year, the Board revised the District's budget. Budget amendments were to reflect changes in programs and related funding. The difference between the original budget and the final amended budget was an increase of \$19.0 million or 4.9 percent in total general fund expenditures. The most significant difference is the increase in instruction due to increased budgets in instructional supplies and equipment.

Final budgeted revenues exceeded original budgetary estimates by \$26.9 million or 7.4 percent, to account for anticipated increases in federal and state revenue due to expenditure-driven grants.

With these adjustments, actual expenditures were \$39.7 million below final budgeted amounts. The most significant positive variances were \$29.7 million in instruction and \$6.6 million in supporting services-instructional staff. Actual revenues were \$19.1 million below final budgeted amounts. Variances primarily result from expenditure-driven federal and state grants that are included in the budgets at their full amounts. Such grants are recognized as revenue when the qualifying expenditures are incurred and all other grant requirements are met; unspent grant amounts are carried forward and included in the succeeding year's budget. Therefore, actual grant revenues and expenditures are normally less than the amounts budgeted.

Designations of fund balance are also budgeted each year. The two largest designations are undistributed reserve and retiree benefits. Under Utah State law, school districts are allowed to designate up to five percent of the general fund's budgeted expenditures for contingencies and emergencies. The law calls this designation the undistributed reserve. The District has designated a full five percent of the current year's actual expenditures for undistributed reserve. The District has also

JORDAN SCHOOL DISTRICT

designated an amount to help cover the cost of benefits promised to current and future retirees. Details of these benefits are in the notes to the basic financial statements.

The costs of these retiree benefits have increased an average of 17 percent a year over the past decade. The State Legislative Auditors requested that public schools eliminate these benefits or face financial sanctions from the Legislature. Finally, an actuarial study conducted on these benefits predicts the costs under future accounting rules to be greater than \$16.6 million annually. On February 21, 2006, the Board of Education voted to modify the post-employment benefits provided by the District. The changes are effective for those retiring after June 30, 2006. Effectively, the changes will eliminate these benefits over a period of time by freezing the benefit each future retiree would receive based on the June 30, 2006 tenure, salary, and health insurance costs. Since this change, the District has not estimated the amount owing on eligible current employees.

Capital Asset and Debt Administration

Capital assets – The capital projects fund is used to account for the costs incurred in acquiring and improving sites, constructing and remodeling facilities, and procuring equipment necessary for providing educational programs for all students within the District. The District has five new schools under construction, with an anticipated total cost of \$58.0 million. Total additions to capital assets (sites, improvements, buildings, equipment, and vehicles) were \$61.8 million for the year.

Capital assets are outlined below:

Jordan School District's Capital Assets (Net of accumulated depreciation) June 30, 2006 and 2005

	Governmental activities		
	2006	2005	Change
Sites and improvements	\$ 63,091,964	\$ 60,434,042	\$ 2,657,922
Construction in progress	20,100,600	58,313,539	(38,212,939)
Buildings and improvements	520,205,654	458,848,921	61,356,733
Furniture and equipment	44,633,928	42,082,020	2,551,908
Vehicles	11,331,623	10,019,938	1,311,685
Total capital assets	<u>\$ 659,363,769</u>	<u>\$ 629,698,460</u>	<u>\$ 29,665,309</u>

Additional information on the District's capital assets can be found in Note 3 to the basic financial statements.

Debt administration – On February 4, 2003, a bond election was held and \$281 million in general obligation school building bonds was authorized; 70 percent of votes cast were in favor of the issuance of bonds. The bonds are to finance the building and renovation of schools, the purchase of building sites, and to equip schools. The District issued \$10 million of bonds dated May 15, 2003, with interest rates from 2.00 to 4.00 percent and a maturity date of June 15, 2017. The District issued \$20 million of bonds dated September 15, 2003, with interest rates from 2.50 to 4.20 percent and a maturity date of June 15, 2018. The District issued \$15 million of bonds dated October 1, 2004, with interest rates from 3.00 to 4.00 percent and a maturity date of June 15, 2019. The District issued \$25 million of bonds dated October 1, 2005, with interest rates from 3.50% to 4.125% and a maturity date of June 15, 2020. Fitch Ratings and Moody's Investment Service have given these bonds an underlying rating of 'AAA' and 'Aa1,' respectively.

JORDAN SCHOOL DISTRICT

The general obligation bonded debt of the District is limited by state law to four percent of the fair market value of the total taxable property in the District. The legal debt limit at June 30, 2006, is \$1,269.7 million. Net bonds payable at June 30, 2006, is \$170.7 million, resulting in a legal debt margin of \$1,099.0 million.

Jordan School District's Outstanding General Obligation Debt June 30, 2006 and 2005

	<u>Governmental activities</u>		
	<u>2006</u>	<u>2005</u>	<u>Change</u>
General obligation bonds	\$ 171,915,000	\$ 172,775,000	\$ (860,000)
Deferred amounts	<u>(1,227,731)</u>	<u>(1,491,841)</u>	<u>264,110</u>
Net bonds payable	<u>\$ 170,687,269</u>	<u>\$ 171,283,159</u>	<u>\$ (595,890)</u>

Additional information on the District's long-term debt can be found in Note 4 to the basic financial statements.

Requests for Information

This financial report is designed to provide a general overview of Jordan School District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Deputy Superintendent for Business Services, Jordan School District, 9361 South 300 East, Sandy Utah 84070-2998.

Basic Financial Statements

JORDAN SCHOOL DISTRICT

Statement of Net Assets

June 30, 2006

	Governmental Activities
Assets:	
Cash and investments	\$ 245,445,654
Accounts receivable:	
Property taxes	182,223,964
Other local	21,585
State of Utah	1,378,053
Federal government	8,653,277
Inventories	3,139,035
Bond issuance costs, net of accumulated amortization	1,217,661
Capital assets:	
Sites and construction in progress	61,358,816
Other capital assets, net of accumulated depreciation	598,004,953
Total assets	<u>1,101,442,998</u>
Liabilities:	
Accounts payable	20,226,901
Accrued payroll and related benefits	24,445,352
Accrued interest	256,041
Deferred revenue:	
Property taxes	177,793,884
Other local	651,858
State of Utah	17,608,427
Federal government	719,757
Noncurrent liabilities:	
Due within one year	34,415,750
Due in more than one year	163,270,530
Total liabilities	<u>439,388,500</u>
Net Assets:	
Invested in capital assets, net of related debt	488,676,500
Restricted for:	
Nutrition services	6,172,995
Non K-12 programs	3,505,613
Jordan Education Foundation	857,612
Capital projects	79,722,174
Debt service	6,957,087
Unrestricted	76,162,517
Total net assets	<u>\$ 662,054,498</u>

The notes to the financial statements are an integral part of this statement.

JORDAN SCHOOL DISTRICT**Statement of Activities
Year Ended June 30, 2006**

Activities and Functions	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Governmental activities:					
Instruction	\$ 294,226,262	\$ 4,119,730	\$ 74,730,287	\$ 1,297,495	\$(214,078,750)
Supporting services:					
Students	11,242,436	22,403	1,513,593	-	(9,706,440)
Instructional staff	22,162,252	751,183	5,168,184	-	(16,242,885)
General district administration	3,630,248	-	-	-	(3,630,248)
School administration	25,819,859	34,476	1,258,317	-	(24,527,066)
Accounting and purchasing	3,506,613	-	-	-	(3,506,613)
Operation and maintenance of school buildings	41,118,706	5,466	17,280	-	(41,095,960)
Student transportation	14,410,011	674,791	7,140,275	-	(6,594,945)
Personnel, planning, and data processing	5,922,790	6,948	83,353	-	(5,832,489)
Nutrition services	22,521,782	11,667,019	9,815,557	-	(1,039,206)
Interest on long-term liabilities	8,074,936	-	-	-	(8,074,936)
Total school district	<u>\$ 452,635,895</u>	<u>\$ 17,282,016</u>	<u>\$ 99,726,846</u>	<u>\$ 1,297,495</u>	<u>\$(334,329,538)</u>
General revenues:					
Property taxes levied for:					
Basic					36,069,180
Voted leeway					25,164,544
Board leeway					8,388,181
K-3 reading					2,537,425
Tort					1,048,523
Transportation					3,355,273
Recreation					2,097,045
Debt service					37,411,289
Capital outlay					50,329,088
Ten percent of basic					15,098,726
Federal and state revenue not restricted to specific purposes					194,760,557
Interest					11,154,226
Miscellaneous					8,285,023
Total general revenues					<u>395,699,080</u>
Change in net assets					61,369,542
Net assets - beginning					<u>600,684,956</u>
Net assets - ending					<u>\$ 662,054,498</u>

The notes to the financial statements are an integral part of this statement.

JORDAN SCHOOL DISTRICT**Balance Sheet
Governmental Funds
June 30, 2006**

	Major Funds			Other Governmental Funds	Total Governmental Funds
	General	Debt Service	Capital Projects		
Assets:					
Cash and investments	\$ 133,334,432	\$ 6,309,177	\$ 81,154,042	\$ 9,598,913	\$ 230,396,564
Accounts receivable:					
Property taxes	83,369,604	32,901,367	65,398,852	554,141	182,223,964
Other local	8,285	-	-	13,300	21,585
State of Utah	413,788	-	-	964,265	1,378,053
Federal government	7,754,285	-	-	898,992	8,653,277
Inventories	2,227,943	-	-	911,092	3,139,035
Total assets	\$ 227,108,337	\$ 39,210,544	\$ 146,552,894	\$ 12,940,703	\$ 425,812,478
Liabilities and fund balances:					
Liabilities:					
Accounts payable	\$ 2,735,656	\$ -	\$ 3,037,310	\$ 128,882	\$ 5,901,848
Accrued payroll and related benefits	24,445,352	-	-	-	24,445,352
Deferred revenue:					
Property taxes	82,951,984	32,706,402	65,033,340	541,772	181,233,498
Other local	328,133	-	-	323,725	651,858
State of Utah	16,158,582	-	-	1,449,845	17,608,427
Federal government	719,757	-	-	-	719,757
Total liabilities	127,339,464	32,706,402	68,070,650	2,444,224	230,560,740
Fund Balances:					
Reserved for:					
Debt service	-	6,504,142	-	-	6,504,142
Capital projects	-	-	46,898,568	-	46,898,568
Encumbrances	1,394,954	-	31,583,676	116,140	33,094,770
Programs	3,997,723	-	-	-	3,997,723
Inventories	2,227,943	-	-	911,092	3,139,035
Unreserved:					
Designated for:					
General fund:					
Undistributed reserve	18,200,000	-	-	-	18,200,000
Vocational construction	779,675	-	-	-	779,675
Programs	11,969,032	-	-	-	11,969,032
Compensated absences	10,922,064	-	-	-	10,922,064
Retiree benefits	23,241,259	-	-	-	23,241,259
Special revenue funds:					
Schools	-	-	-	769,818	769,818
Programs	-	-	-	24,106	24,106
Undesignated, reported in:					
General fund	27,036,223	-	-	-	27,036,223
Special revenue funds	-	-	-	8,675,323	8,675,323
Total fund balances	99,768,873	6,504,142	78,482,244	10,496,479	195,251,738
Total liabilities and fund balances	\$ 227,108,337	\$ 39,210,544	\$ 146,552,894	\$ 12,940,703	\$ 425,812,478

The notes to the financial statements are an integral part of this statement.

JORDAN SCHOOL DISTRICT

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets

June 30, 2006

Total fund balance - governmental funds **\$ 195,251,738**

Total net assets reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The cost of the assets is \$936,176,347 and the accumulated depreciation is \$276,812,578 (see Note 3). 659,363,769

Property tax revenue is recognized when levied (claim to resources established) rather than when "available." The portion not available soon enough to pay for the current period's expenditures is deferred in the funds. 3,439,614

Bond issuance costs are reported as expenditures in the governmental funds. The cost is \$1,644,817 and accumulated amortization is \$427,156. 1,217,661

An internal service fund is used by the District's management to charge the costs of health and life insurance benefits to individual funds. The assets and liabilities of the internal service fund are included with governmental activities. 724,037

Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. (256,041)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds (see Note 4). (197,686,280)

Total net assets - governmental activities **\$ 662,054,498**

The notes to the financial statements are an integral part of this statement.

JORDAN SCHOOL DISTRICT**Statement of Revenues, Expenditures, and Changes in Fund Balances****Governmental Funds**

Year Ended June 30, 2006

	Major Funds			Other	Total
	General	Debt Service	Capital Projects	Governmental Funds	Governmental Funds
Revenues:					
Property taxes	\$ 76,635,360	\$ 37,253,895	\$ 65,672,339	\$ 2,118,724	\$ 181,680,318
Interest	7,414,352	712,534	1,824,928	447,578	10,399,392
School lunch sales	-	-	-	11,667,019	11,667,019
Other local sources	10,340,970	-	-	1,413,649	11,754,619
State of Utah	252,686,489	-	1,297,495	8,766,281	262,750,265
Federal government	23,196,294	-	-	9,838,339	33,034,633
Total revenues	370,273,465	37,966,429	68,794,762	34,251,590	511,286,246
Expenditures:					
Current:					
Instruction	243,679,846	-	-	-	243,679,846
Supporting services:					
Students	11,241,169	-	-	-	11,241,169
Instructional staff	23,017,422	-	-	-	23,017,422
General district administration	2,423,188	-	-	-	2,423,188
School administration	24,844,438	-	-	-	24,844,438
Accounting and purchasing	3,499,911	-	-	-	3,499,911
Operation and maintenance of school buildings	38,534,055	-	-	-	38,534,055
Student transportation	12,280,486	-	-	-	12,280,486
Personnel, planning, and data processing	5,913,612	-	-	-	5,913,612
Nutrition services	-	-	-	22,140,102	22,140,102
Non K-12 programs	-	-	-	10,394,307	10,394,307
Foundation	-	-	-	507,807	507,807
Capital outlay	-	-	59,529,750	-	59,529,750
Debt service:					
Bond principal	-	25,860,000	-	-	25,860,000
Bond issuance cost	-	-	247,974	-	247,974
Bond interest and fees	-	7,995,700	-	-	7,995,700
Total expenditures	365,434,127	33,855,700	59,777,724	33,042,216	492,109,767
Excess (deficiency) of revenues over (under) expenditures	4,839,338	4,110,729	9,017,038	1,209,374	19,176,479
Other financing sources (uses):					
Insurance proceeds	-	-	1,667,719	-	1,667,719
Transfers in (out)	15,172,311	-	(15,341,188)	168,877	-
School building bonds issued	-	-	25,000,000	-	25,000,000
Bond premium	-	-	138,895	-	138,895
Sale of capital assets	-	-	3,086,848	-	3,086,848
Total other financing sources (uses)	15,172,311	-	14,552,274	168,877	29,893,462
Net change in fund balances	20,011,649	4,110,729	23,569,312	1,378,251	49,069,941
Fund balances - beginning	79,757,224	2,393,413	54,912,932	9,118,228	146,181,797
Fund balances - ending	\$ 99,768,873	\$ 6,504,142	\$ 78,482,244	\$ 10,496,479	\$ 195,251,738

The notes to the financial statements are an integral part of this statement.

JORDAN SCHOOL DISTRICT

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

Year Ended June 30, 2006

Net change in fund balances-total governmental funds

\$ 49,069,941

The change in net assets reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation and related items in the current period.

Capital outlays	\$ 61,757,026	
Loss on disposal of capital assets	(99,943)	
Gain on sale of capital assets	3,001,958	
Insurance proceeds	1,667,719	
Proceeds from sales of capital assets	(3,086,848)	
Depreciation expense	<u>(31,906,884)</u>	31,333,028

The governmental funds report bond proceeds as an other financing source, while repayment of bond principal is reported as an expenditure. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Interest is recognized as an expenditure in the governmental funds when it is due. In the statement of activities, interest expense is recognized as it accrues, regardless of when it is due. The net effect of these differences in the treatment of general obligation bonds and related items is as follows:

Bonds issued	(25,000,000)	
Bond premium	(138,895)	
Bond issuance costs	247,974	
Repayment of bond principal	25,860,000	
Bond interest expense	45,979	
Amortization of deferred amounts on refunding	(634,704)	
Amortization of bond issuance costs	(127,728)	
Amortization of bond premium	<u>509,489</u>	762,115

Property taxes that are not collected for several months after the District's fiscal year end are not considered as available revenues in the governmental funds and are, instead, counted as deferred revenues. They are however, recorded as revenues in the statement of activities.

(181,044)

In the statement of activities, certain operating expenses -- compensated absences (vacations) and termination benefits (early retirement) -- are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). During this year, compensated absences increased by \$8,839,084 and early retirement payable increased by \$8,660,886.

(17,499,970)

An internal service fund is used by the District to charge the costs of health and life insurance benefits to individual funds. The net loss of the internal service fund is reported with governmental activities.

(446,809)

Change in net assets of governmental activities

\$ 61,369,542

The notes to the financial statements are an integral part of this statement.

JORDAN SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund
Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Property taxes	\$ 70,889,000	\$ 75,575,700	\$ 76,635,360	\$ 1,059,660
Interest	2,927,000	6,027,000	7,414,352	1,387,352
Other local revenue	8,545,919	9,352,906	10,340,970	988,064
State of Utah	256,806,644	269,416,750	252,686,489	(16,730,261)
Federal government	23,333,025	29,047,982	23,196,294	(5,851,688)
Total revenues	362,501,588	389,420,338	370,273,465	(19,146,873)
Expenditures:				
Current:				
Instruction	261,800,493	273,383,186	243,679,846	29,703,340
Supporting services:				
Students	11,169,345	11,345,997	11,241,169	104,828
Instructional staff	22,905,054	29,616,704	23,017,422	6,599,282
General district administration	2,628,225	3,080,265	2,423,188	657,077
School administration	24,369,658	25,218,293	24,844,438	373,855
Accounting and purchasing	3,483,716	3,522,923	3,499,911	23,012
Operation and maintenance of school buildings	40,774,208	39,782,588	38,534,055	1,248,533
Student transportation	11,420,811	11,623,580	12,280,486	(656,906)
Personnel, planning, and data processing	7,417,776	7,391,657	5,913,612	1,478,045
Other	171,027	172,922	-	172,922
Total expenditures	386,140,313	405,138,115	365,434,127	39,703,988
Excess (deficiency) of revenues over (under) expenditures	(23,638,725)	(15,717,777)	4,839,338	20,557,115
Other financing sources (uses):				
Transfer in	14,000,000	14,904,000	15,341,188	437,188
Transfer out	-	-	(168,877)	(168,877)
Total other financing sources (uses)	14,000,000	14,904,000	15,172,311	268,311
Net change in fund balances	(9,638,725)	(813,777)	20,011,649	20,825,426
Fund balances - beginning	65,134,656	79,757,224	79,757,224	-
Fund balances - ending	\$ 55,495,931	\$ 78,943,447	\$ 99,768,873	\$ 20,825,426

The notes to the financial statements are an integral part of this statement.

JORDAN SCHOOL DISTRICT

Statements of Fund Net Assets
Proprietary Fund
June 30, 2006 and 2005

	Governmental Activities - Internal Service Fund Self-insurance	
	2006	2005
Assets:		
Current assets:		
Cash and investments	<u>\$ 15,049,090</u>	<u>\$ 13,868,080</u>
Liabilities:		
Current liabilities:		
Accounts payable	7,971	11,427
Accrued medical claims	<u>14,317,082</u>	<u>12,685,807</u>
Total liabilities	<u>14,325,053</u>	<u>12,697,234</u>
Net assets:		
Unrestricted	<u>\$ 724,037</u>	<u>\$ 1,170,846</u>

The notes to the financial statements are an integral part of this statement.

JORDAN SCHOOL DISTRICT**Statements of Revenues, Expenses, and Changes in Fund Net Assets****Proprietary Fund****Years Ended June 30, 2006 and 2005**

	Governmental Activities - Internal Service Fund Self-insurance	
	2006	2005
Operating revenues:		
Insurance premiums	<u>\$ 47,708,198</u>	<u>\$ 43,320,754</u>
Operating expenses:		
Medical claims	32,969,879	30,563,081
Prescription claims	11,926,037	11,579,453
Insurance premiums	2,146,999	2,128,475
Administration and other	1,866,926	2,001,596
Total operating expenses	<u>48,909,841</u>	<u>46,272,605</u>
Operating loss	(1,201,643)	(2,951,851)
Nonoperating income:		
Interest	754,834	396,952
Net loss	<u>(446,809)</u>	<u>(2,554,899)</u>
Net assets - beginning	<u>1,170,846</u>	<u>3,725,745</u>
Net assets - ending	<u><u>\$ 724,037</u></u>	<u><u>\$ 1,170,846</u></u>

The notes to the financial statements are an integral part of these statements.

JORDAN SCHOOL DISTRICT

Statements of Fund Cash Flows

Proprietary Fund

Years Ended June 30, 2006 and 2005

	Governmental Activities - Internal Service Fund	
	Self-insurance	
	2006	2005
Cash flows from operating activities:		
Receipts from interfund services provided	\$ 47,708,198	\$ 43,320,754
Payments to suppliers	(1,870,382)	(2,025,812)
Payments for medical fees and insurance claims	(45,411,640)	(41,817,588)
Net cash provided (used) by operating activities	426,176	(522,646)
Cash flows from investing activities:		
Interest received	754,834	396,952
Net increase (decrease) in cash and cash equivalents	1,181,010	(125,694)
Cash and cash equivalents - beginning	13,868,080	13,993,774
Cash and cash equivalents - ending	\$ 15,049,090	\$ 13,868,080
(Displayed on statements of fund net assets as <i>Cash and investments</i>)		
Reconciliation of operating loss to net cash provided (used) by operating activities:		
Operating loss	\$ (1,201,643)	\$ (2,951,851)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Decrease in accounts payable	(3,456)	(24,216)
Increase in accrued medical claims	1,631,275	2,453,421
Total adjustments	1,627,819	2,429,205
Net cash provided (used) by operating activities	\$ 426,176	\$ (522,646)
Noncash investing, capital, and financing activities:	none	none

The notes to the financial statements are an integral part of this statement.

JORDAN SCHOOL DISTRICT

Statement of Fiduciary Fund Net Assets

Agency Fund

June 30, 2006

	Student Activities Fund
Assets:	
Cash and investments	<u>\$ 7,821,125</u>
Liabilities:	
Due to student organizations	<u>\$ 7,821,125</u>

The notes to the financial statements are an integral part of this statement.

JORDAN SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Jordan School District (the District) are in conformity with accounting principles generally accepted in the United States of America applicable to local governmental units in general and Utah school districts in particular. The following is a summary of the more significant policies.

The Reporting Entity – The District was established in 1905 and provides elementary and secondary education in southern Salt Lake County, Utah. The Board of Education, comprised of seven elected officials, is the primary governing authority for the District. The Board establishes District policies, approves the budget, appoints a superintendent with responsibilities for administering all educational activities of the District, and appoints a business administrator with responsibilities for fiscal matters. The Board is authorized to issue bonds, incur short-term debt, levy property taxes, and is independent of any other unit of local government.

These basic financial statements present the activities of the District and its component unit, the *Jordan Education Foundation*, for which the District is considered to be financially accountable. The District is not a component unit of any other primary government. Although a legally separate entity, a blended component unit is, in substance, part of the District's operations.

- **Blended Component Unit** – The *Jordan Education Foundation* is a nonprofit organization established under Internal Revenue Service regulations as a conduit for tax-deductible contributions to the District. The Foundation's board is approved by the Board of Education. The Foundation exclusively serves the District. The District makes all personnel decisions with the Foundation and pays for all operating costs of the Foundation. The Foundation is presented as a special revenue fund of the District.

Government-wide Financial Statements – The statement of net assets and the statement of activities report information on all of the nonfiduciary activities of the District and the Foundation. As a general rule the effect of interfund activity is eliminated from the government-wide financial statements (e.g. internal service fund activity, indirect cost charges to programs). Some minor interfund services provided and used are not eliminated in the process of consolidation (e.g. printing).

The statement of activities presents the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Indirect expense allocations made in the funds are reversed for the statement of activities. Depreciation expense for capital assets specifically identified with a function is included in its direct expenses. Depreciation expense for "shared" capital assets (for example, a school building is used primarily for instruction, school administration, operation and maintenance of the building, and nutrition services) is ratably included in the direct expenses of the appropriate functions. Interest on long-term liabilities is considered an indirect expense and is presented as a separate line. Program revenues include: a) charges to students or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and b) grants and contributions that are restricted to meeting the operating or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements – The fund financial statements provide information about the District's funds, including its fiduciary fund and blended component unit. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as insurance premiums, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as interest, result from non-exchange transactions or ancillary activities. Operating expenses result from transactions directly associated with the fund's principal services.

JORDAN SCHOOL DISTRICT

The District reports the following major governmental funds:

- **General Fund** – The General Fund is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.
- **Debt Service Fund** – The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on general obligation bonds payable.
- **Capital Projects Fund** – The Capital Projects Fund accounts for the resources accumulated and payments made for the acquisition of capital assets and construction of major capital projects.

Additionally, the District reports the following fund types:

- **Internal Service Fund** – The *Self-Insurance Fund* (a proprietary fund) is the only internal service fund used by the District and accounts for the activities associated with the District's self-insurance plan covering employee health and accident claims. Premiums are charged to the District's other funds to cover anticipated costs.
- **Agency Fund** – The *Student Activities Fund* (a fiduciary fund) accounts for the receipt and disbursement of monies held on behalf of student activity organizations.

Measurement Focus and Basis of Accounting – The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide, proprietary fund, and agency fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District receives value without directly giving equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements are satisfied.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District's policy is to consider revenue available if it is expected to be collected within sixty days following the close of the fiscal year, or within thirty days of the fiscal year-end in the case of property tax revenue. Property taxes and interest are considered to be susceptible to accrual. Other receipts become measurable and available when cash is received by the District and are recognized as revenue at that time. Expenditure-driven grants are recognized as revenue when the qualifying expenditures are incurred and all other grant requirements are met; grants received in advance are recorded as deferred revenue until earned. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term liabilities, claims and judgments, early retirement and post-employment health care benefits, and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term liabilities and acquisitions under capital leases are reported as other financing sources.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources, as they are needed.

Budgets and Budgetary Accounting – The District operates within budget requirements for school districts as specified by state law and as interpreted by the State Superintendent of Public Instruction. Budgets are prepared in accordance with accounting principles generally accepted in the United States of America using the modified accrual basis of accounting for all governmental funds, excluding the *Jordan Education Foundation* (special revenue fund); and on the accrual method for the *Self-Insurance Fund* (internal service fund). The budget for the *Self-Insurance Fund* is not legally required for budgetary control; this budget is for management purposes. Budgets are not adopted on a District level for the *Jordan Education Foundation* (special revenue fund) and the *Student Activities Fund* (agency fund). All annual appropriations lapse at fiscal year-end. These financial reports reflect the budgetary standards on the next page:

JORDAN SCHOOL DISTRICT

- For the fiscal year beginning July 1, the business administrator prepares a proposed budget for all funds which is presented to the Board of Education by the superintendent on or before June 1.
- After a public hearing is held, the Board of Education, by resolution, legally adopts the final budget no later than June 22.
- Once adopted, the budget can be amended by subsequent Board action. Reductions in appropriations can be approved by the Board upon recommendation of the superintendent; however, increases in appropriations at the overall fund level require a public hearing prior to amending the budget. In accordance with Utah State law and with Board policy, administration may make interim adjustments from one appropriation (at the program, function, or object level) to another within any given fund without seeking the immediate approval of the Board. The Board approves these changes later in the year.
- The total budgeted expenditures of a given fund may not exceed the expected revenues for the fiscal year plus the fund balance. Control of the budget is exercised at the overall fund level.
- Interim adjustments in estimated revenue and appropriations during the year ended June 30, 2006 are included in the final budget approved by the Board, as presented in the financial statements.
- Expenditures may not legally exceed budgeted appropriations at the fund level.

Encumbrances – Encumbrance accounting, under which purchase orders for goods and services are recorded in order to restrict that portion of the applicable appropriation, is used to facilitate comparisons with budgets. Outstanding encumbrances lapse at year-end and are reported as reserved fund balances because they do not constitute expenditures or liabilities. The District intends to honor these commitments and provides for the expenditure in the subsequent year.

Deposits and investments – The cash balances of substantially all funds are pooled and invested by the District. Deposits and investments are reported at fair value. Earnings on pooled funds are allocated to the funds based on the average balance of each participating fund.

Inventories – Inventories are accounted for under the consumption method, wherein inventories are recorded as assets when acquired and expenditures are recorded when the inventories are transferred to the schools for consumption. Inventories recorded in the governmental funds are stated at cost or, if donated, at fair value when received, using a weighted moving average method. Inventories reported in the governmental funds are equally offset by a reservation of fund balance, indicating that they do not constitute "available spendable resources" even though they are a component of total assets.

Capital Assets – All purchased or constructed capital assets costing more than \$2,000 or which meet other criteria are capitalized and reported at cost or estimated historical cost in the government-wide financial statements. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized in the government-wide financial statements. Donated capital assets are recorded at their estimated fair value at the date of donation. Interest incurred during the construction of capital assets is not capitalized. The District does not purchase nor construct infrastructure (public domain) assets. Capital assets are recorded as expenditures in the governmental fund financial statements at the time of purchase or construction. Depreciation is provided on capital assets using the straight-line method over their estimated useful lives as follows:

Site improvements	40 years
Buildings	40 years
Furniture and equipment	10 years
Vehicles	10 years

Undistributed Reserve – Utah state law allows school districts to establish an "undistributed reserve" for contingencies. Because this is a District imposed restriction, the undistributed reserve is reported as a designation in the General Fund balance sheet. According to state law, the District may not use undistributed reserves in the negotiation or settlement of contract salaries for District employees and this designation must not exceed five percent of the General Fund's budgeted expenditures. The expenditure of the reserve requires a written resolution adopted by a majority vote of the District's Board of Education filed with the Utah State Office of Education and State Auditor.

JORDAN SCHOOL DISTRICT

Statement of Cash Flows – For the statement of cash flows for the proprietary fund, the District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. Investments in the Public Treasurers' Investment Fund are considered cash equivalents.

Comparative Data – Comparative total data for the prior year is presented in certain sections of the accompanying basic financial statements in order to provide an understanding of the changes in the District's financial position and operations.

Variances between Budget and Actual Data – Expenditure-driven grants are included in the budgets at their full amounts. Such grants are recognized as revenue when the qualifying expenditures are incurred and all other grant requirements are met; unspent grant amounts are carried forward and included in the succeeding fiscal year's budget. Therefore, actual grant revenues and expenditures are normally less than the amounts budgeted.

2. DEPOSITS AND INVESTMENTS

Deposits and investments are carried at fair value. A reconciliation of cash and investments at June 30, 2006, as shown on the financial statements is as follows:

Carrying amount of deposits	\$ 12,814,914
Carrying amount of investments:	
Mutual funds	357,603
Public Treasurers' Investment Fund	240,094,262
Total cash and investments	<u>\$ 253,266,779</u>
Governmental funds cash and investments	\$ 230,396,564
Internal service fund cash and investments	15,049,090
Statement of net assets cash and investments	245,445,654
Agency fund cash and investments	7,821,125
Total cash and investments	<u>\$ 253,266,779</u>

The District complies with the State Money Management Act (Utah Code Section 51, Chapter 7) (Act) and related Rules of the Money Management Council (Council) in handling its depository and investing transactions. District funds are deposited in qualified depositories as defined by the Act. The Act also authorizes the District to invest in the Utah Public Treasurers' Investment Fund (PTIF), certificates of deposit, US Treasury obligations, US agency issues, high-grade commercial paper, banker's acceptances, repurchase agreements, corporate bonds, money market mutual funds, and obligations of governmental entities within the State of Utah.

The PTIF is authorized and makes investments in accordance with the Act. The Council provides regulatory oversight for the PTIF. Participant accounts with the PTIF are not insured or otherwise guaranteed by the State of Utah. Participants in the PTIF share proportionally in the income, costs, gains and losses from investment activities. The degree of risk of the PTIF depends upon the underlying portfolio.

The Act and Council rules govern the financial reporting requirements of qualified depositories in which public funds may be deposited and prescribe the conditions under which the designation of a depository shall remain in effect. The District considers the rules of the Council to be necessary and sufficient for adequate protection of its uninsured bank deposits.

Rules of the Council allow Jordan Education Foundation to invest private grants, contributions, and endowments in any deposit or investment authorized by the Act and certain investment funds, equity securities, fixed-income securities, and investment strategies with institutions that meet certain restrictions.

All of the District's investments are with the PTIF. The Foundation has deposits separate from the District and invests some private funds through a broker.

JORDAN SCHOOL DISTRICT

Deposits – At June 30, 2006, the District's carrying amount of bank deposits is \$12,814,914 and the bank balance is \$25,444,569. Of the bank balance, \$798,911 is covered by federal depository insurance and \$24,645,658 is uninsured and uncollateralized. No deposits are collateralized nor are they required to be by state statute.

- **Custodial Credit Risk** – Custodial credit risk for deposits is the risk that, in the event of a bank failure, a government's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk.

Investments – The District's investment in the PTIF has a maturity of less than one year and has a fair value of \$240,094,262. The Foundation's investment in mutual funds is invested in common stocks, has a maturity of one year or less, and has a fair value of \$357,603.

- **Interest Rate Risk** – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District manages its exposure to interest rate risk by complying with the Act, which requires that the remaining term to maturity of investments not exceed the period of availability of the funds invested. Except for endowments, the Act further limits the remaining term to maturity on all investments in commercial paper and banker's acceptances to 270 days or less and fixed-income securities to 365 days or less. In addition, variable-rate securities may not have a remaining term to final maturity exceeding two years. The Foundation can invest private funds in fixed-income securities with a dollar-weighted average maturity not to exceed ten years.
- **Credit Risk** – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's policy for reducing its exposure to credit risk is to comply with the Act and related rules. The Act and related rules limit investments in commercial paper to a first tier rating and investments in fixed-income and variable-rate securities to a rating of A or higher as rated by Moody's Investors Service, Inc. or by Standard and Poor's Corporation. The District has no investment policy that would further limit its investment choices. The District's investment in the PTIF and the Foundation's investment in mutual funds are not rated.
- **Concentration of Credit Risk** – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The District's policy for managing this risk is to comply with the Act and related rules. The Act limits investments in commercial paper and or corporate obligations to five percent of the District's total portfolio with a single issuer. The District places no other limits on the amount it may invest in any one issuer. The Foundation can invest private funds in certain equity and fixed-income securities provided no more than five percent of all funds are invested in any one issuer and no more than twenty-five percent of all funds are invested in a particular industry. Also, for the Foundation's investments in private funds, no more than seventy-five percent may be invested in equity securities and no more than five percent in collateralized mortgage obligations.
- **Custodial Credit Risk** – Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The District's policy for managing this risk is to comply with the Act and related rules. The District places no other limit on the amount of investments to be held by counterparties. The Foundation's investments are held in a brokerage account which is covered by Securities Investor Protection Corporation up to \$500,000.

JORDAN SCHOOL DISTRICT

3. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2006, is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated				
Sites	\$ 41,401,660	\$ -	\$ (143,444)	\$ 41,258,216
Construction in progress	58,313,539	25,760,026	(63,972,965)	20,100,600
Total capital assets, not being depreciated	99,715,199	25,760,026	(64,116,409)	61,358,816
Capital assets, being depreciated:				
Site improvements	27,314,943	4,077,377	-	31,392,320
Buildings	656,309,844	79,716,733	(2,252,505)	733,774,072
Furniture and equipment	83,696,797	12,555,158	(8,017,926)	88,234,029
Vehicles	19,055,536	3,620,697	(1,259,123)	21,417,110
Total capital assets, being depreciated	786,377,120	99,969,965	(11,529,554)	874,817,531
Accumulated depreciation for:				
Site improvements	8,282,561	1,276,011	-	9,558,572
Buildings	197,460,923	18,360,000	(2,252,505)	213,568,418
Furniture and equipment	41,614,777	10,003,250	(8,017,926)	43,600,101
Vehicles	9,035,598	2,267,623	(1,217,734)	10,085,487
Total accumulated depreciation	256,393,859	31,906,884	(11,488,165)	276,812,578
Total capital assets, being depreciated, net	529,983,261	68,063,081	(41,389)	598,004,953
Governmental activity capital assets, net	\$ 629,698,460	\$ 93,823,107	\$ (64,157,798)	\$ 659,363,769

Depreciation expense for the year ended June 30, 2006 was charged to functions of the District as follows:

Governmental activities:	
Instruction	\$ 23,871,167
Supporting services:	
Instructional staff	113,199
General district administration	1,201,706
School administration	898,939
Operation and maintenance of school buildings	2,493,158
Student transportation	2,064,350
Nutrition services	1,264,365
Total depreciation expense, governmental activities	\$ 31,906,884

JORDAN SCHOOL DISTRICT

4. LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2006, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 172,775,000	\$ 25,000,000	\$ (25,860,000)	\$ 171,915,000	\$ 26,680,000
Deferred amounts for issuance premiums	3,919,204	138,895	(509,489)	3,548,610	-
Deferred amounts on refundings	(5,411,045)	-	634,704	(4,776,341)	-
Total bonds payable, net	171,283,159	25,138,895	(25,734,785)	170,687,269	26,680,000
Compensated absences	2,082,980	10,922,064	(2,082,980)	10,922,064	2,432,840
Early retirement payable	7,416,061	12,875,283	(4,214,397)	16,076,947	5,302,910
Total governmental activity long-term liabilities	\$ 180,782,200	\$ 48,936,242	\$ (32,032,162)	\$ 197,686,280	\$ 34,415,750

General Obligation Bonds Payable – Bonds payable at June 30, 2006, are comprised of the following general obligation issues and are serviced by property tax revenues received by the Debt Service Fund:

Series	Purpose	Original Amount	Remaining Interest Rate Range	Final Maturity Date	Current Outstanding Balance
June 15, 1997	School Building	\$ 65,000,000	5.75%	June 15, 2007	\$ 4,670,000
August 1, 1997	Bond Refunding	37,870,000	5.25%	June 15, 2010	19,910,000
July 1, 1998	School Building	50,000,000	5.00%	June 15, 2008	6,975,000
August 1, 1999	School Building	14,500,000	5.00% to 5.13%	June 15, 2009	2,935,000
October 15, 2000	School Building	14,500,000	5.00%	June 15, 2010	3,810,000
September 15, 2001	School Building	10,000,000	3.75% to 4.55%	June 15, 2016	7,255,000
September 15, 2002	Bond Refunding	39,540,000	2.50% to 4.00%	June 15, 2015	32,500,000
May 15, 2003	School Building & Bond Refunding	20,200,000	2.00% to 4.00%	June 15, 2017	8,965,000
September 15, 2003	School Building	20,000,000	2.75% to 4.20%	June 15, 2018	16,725,000
March 1, 2004	Bond Refunding	30,585,000	4.00% to 4.50%	June 15, 2012	30,585,000
October 1, 2004	School Building	15,000,000	3.00% to 4.00%	June 15, 2019	13,250,000
October 1, 2005	School Building	25,000,000	3.50% to 4.13%	June 15, 2020	24,335,000
Total general obligation bonds payable as of June 30, 2006					\$ 171,915,000

All bonds are rated 'AAA' based on the guaranty provided by the Utah School Bond Default Avoidance Program. The District has an underlying rating of 'AAA' by Fitch Investors Service, Inc., and 'Aa1' by Moody's, as of the date of this Comprehensive Annual Financial Report. Debt service requirements to maturity, including interest for the general obligation bonds payable, are summarized on the next page:

JORDAN SCHOOL DISTRICT

Year Ending June 30	Principal	Interest	Total
2007	\$ 26,680,000	\$ 7,175,550	\$ 33,855,550
2008	19,205,000	5,905,388	25,110,388
2009	18,980,000	5,099,343	24,079,343
2010	19,805,000	4,275,349	24,080,349
2011	17,455,000	3,467,524	20,922,524
2012-2016	53,160,000	8,570,245	61,730,245
2017-2020	16,630,000	1,443,850	18,073,850
Total	<u>\$ 171,915,000</u>	<u>\$ 35,937,249</u>	<u>\$ 207,852,249</u>

Bond Election – On February 4, 2003, a bond election was held and \$281 million in general obligation school building bonds were authorized. The bonds are to finance the building or renovation of schools, the purchase of building sites, and to equip schools. The District issued \$10 million of bonds dated May 15, 2003, with interest rates from 2.00 to 4.00 percent and a maturity date of June 15, 2017. The District issued \$20 million of bonds dated September 15, 2003, with interest rates from 2.50 to 4.20 percent and a maturity date of June 15, 2018. The District issued \$15 million of bonds dated October 1, 2004, with interest rates from 3.00 to 4.00 percent and a maturity date of June 15, 2019. The District issued \$25 million of bonds dated October 1, 2005, with interest rates from 3.50 to 4.13 percent and a maturity date of June 15, 2020. At June 30, 2006, \$211 million of authorized bonds remain unissued.

Prior-year Defeasance of Debt – On September 24, 2002, the District defeased callable portions of the general obligation bonds dated December 1, 1993, January 1, 1995, July 1, 1998, August 1, 1999, and October 15, 2000, by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the callable portions of the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. On December 15, 2003, the trust redeemed \$4,575,000 of these defeased bonds. On June 15, 2005, the trust redeemed \$2,385,000 of these defeased bonds. As of June 30, 2006, \$28,910,000 of bonds outstanding are considered defeased by this bond issuance.

On February 24, 2004, the District defeased callable portions of the general obligation bonds dated June 15, 1997, and July 1, 1998, by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the callable portions of the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. As of June 30, 2006, \$30,995,000 of bonds outstanding are considered defeased by this bond issuance.

Compensated Absences – The District accrues vacation for twelve-month or full-year contract employees. Employees accrue between ten and twenty days each year depending upon length of service with the District, generally limited to a maximum number of days earned for one year. The District is liable to the employee for days earned but not taken. If an employee terminates, then payment is made; otherwise, scheduled vacation time off is allowed. Additionally, retiring employees are eligible to receive an unused sick leave bonus from the District. This bonus ranges from 25 to 30 percent of the value of sick leave accumulation, and is paid only upon retirement. At June 30, 2006, the District estimates these obligations for qualifying employees, to be \$10,922,064 and will be paid by the General Fund.

Early Retirement Payable – For a description of the District's early retirement incentive program, please see Note 8 under the caption "Other Retirement Benefits."

5. TRANSFERS

During the year ended June 30, 2006 the District made two transfers between funds. The District transferred \$15,341,188 from the Capital Projects Fund to the General Fund to cover expenditures in the General Fund for supplies, equipment, and textbooks. This represents the amount received from the Ten Percent of Basic tax levy

JORDAN SCHOOL DISTRICT

which by State law is collected in the Capital Projects Fund but is used for the above listed General Fund expenditures. The District also transferred \$168,877 from the General Fund to the Jordan Education Foundation Special Revenue Fund to cover administration expenditures of the Jordan Education Foundation. The net transfer into the General Fund is therefore \$15,172,311.

6. COMMITMENTS

The District has five new schools under construction, with an anticipated total cost of \$58,000,000. As of June 30, 2006, \$21,195,818 was spent on these buildings and their contents, leaving an estimated \$36,804,182 as future costs. At June 30, 2006 the District has \$31,583,676 in open purchase orders for capital projects. The District anticipates spending \$59,738,000 for fiscal year 2007 building projects and \$23,988,882 for other capital asset purchases. The reservation of fund balance for capital projects in the Capital Projects Fund at June 30, 2006, is \$46,898,568, which will be used, along with future bond issues and tax proceeds, to fund these projects.

7. PROPERTY TAXES

The budgeting and accounting for property taxes are handled on a modified accrual basis, with appropriate recognition of property taxes receivable at year-end. The District has recorded a property tax receivable for the delinquent property taxes due and for the taxes assessed January 1. The District has recorded a corresponding property tax deferral for taxes assessed January 1 but not due and collectible within thirty days of the end of the fiscal year. The property tax revenue of the District is collected and distributed by the Salt Lake County Treasurer as an agent for the District.

Utah statutes establish the process by which taxes are levied and collected. The County Assessor is required to assess real property as of January 1 and complete the tax rolls by May 22. By July 22, the County Auditor is to mail assessed value and tax notices to property owners. A taxpayer may petition the County Board of Equalization within 30 days of receipt of the tax notice for a revision of the assessed value. The County Auditor makes approved changes in assessed values by November 1. On this same date the Auditor is to deliver the completed assessment rolls to the County Treasurer. Tax notices are mailed with a due date of November 30. Delinquent taxes are subject to a 2 percent penalty of the property tax due, with a \$10 minimum penalty. If delinquent taxes and penalties are not paid by January 15 of the following year, these delinquent taxes, including penalties, are subject to an interest charge at a rate determined by the County; the interest period is from January 1, until the taxes are paid. If in May of the fifth year the taxes remain delinquent, the County advertises and sells the property at a tax sale.

8. RETIREMENT PLANS

Defined Benefit Plans – The District contributes to the State and School Contributory Retirement System and the State and School Noncontributory Retirement System (collectively, the Systems), which are cost-sharing multiple-employer defined benefit pension plans administered by the Utah Retirement Systems (URS). URS provides refunds, retirement benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries in accordance with retirement statutes.

The Systems are established and governed by the respective section of Chapter 49 of the Utah Code Annotated 1953, as amended. The Utah Retirement Office Act in Chapter 49 provides for the administration of the URS and Plans under the direction of the Utah State Retirement Board whose members are appointed by the Governor. The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the Systems. A copy of the report may be obtained by writing to the Utah Retirement Systems, 540 East 200 South, Salt Lake City, Utah 84102 or by calling 1-800-365-8772.

Plan members in the State and School Contributory Retirement System are required to contribute 1.00 percent of annual covered salary, and the District contributes 13.89 percent of annual covered salary. In the State and School Noncontributory Retirement System the District is required to contribute 13.38 percent of annual covered salary. The contribution rates are the actuarially determined rates. The contribution requirements of the Systems are authorized and specified by statute and by the Utah State Retirement Board.

The District's contributions to the State and School Contributory Retirement System for the years ended June 30, 2006, 2005, and 2004 were \$594,874, \$615,354, and \$554,825, respectively, and employee contributions were

JORDAN SCHOOL DISTRICT

\$42,828, \$44,303, and \$45,440. The District's contributions to the State and School Noncontributory Retirement System for the years ended June 30, 2006, 2005, and 2004 were \$25,209,894, \$24,075,984, and \$20,262,275, respectively. The contributions were equal to the required contributions for each year.

Defined Contribution Plans – The District participates in a defined contribution plan, under Internal Revenue Code Section 401(k), to supplement retirement benefits accrued by participants in the Systems. Employees covered by the State and School Noncontributory Retirement System have a contribution of 1.5 percent of salary automatically made by the District. During the years ended June 30, 2006, 2005, and 2004, employer contributions were \$3,215,226, \$2,970,269, and \$2,781,391, respectively. Employees who are participants of the Systems can make additional contributions. These employee contributions were \$7,171,571, \$5,814,561, and \$5,481,035, respectively, for the same periods. The 401(k) plan funds are fully vested to the participants at the time of deposit. Plan assets are administered and held by URS. Plan provisions and contribution requirements are established by state statute and may be amended by the State.

The District also offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time employees, permits them to defer a portion of their salary until future years. Employees are eligible to voluntarily participate from the date of employment and are vested immediately upon participating. Employee contributions to the Section 457 plan totaled \$832,405 for the year ended June 30, 2006. The assets of the plan are administered and held by URS. Plan provisions and contribution requirements are established by state statute and may be amended by the State.

Other Retirement Benefits – The District has an early retirement incentive program for certificated and administrative employees who have met the provisions of the Utah State Employees' Retirement Act. The program includes incentive pay for early retirees for a maximum of four years or until the retiree reaches the age of unreduced social security benefit, whichever comes first. At June 30, 2006, the District's early retirement payable amount for retired employees totaled \$16,076,947 and will be paid by the General Fund. This amount was computed by listing each qualified retiree and the amount they will receive. The District has designated \$16,076,947 in the General Fund to cover this obligation. During the year ended June 30, 2006, the District spent \$4,214,397 on this benefit. Effective July 1, 2006, future eligible, retiring employees will have their early retirement incentive benefit based on the salary and tenure of the employee as of June 30, 2006. This change effectively eliminates this benefit over a period of time and "freezes" the total future liability of the District. Since this change, the District has not estimated the amount owing on eligible current employees.

In addition, by Board policy, the District pays the majority of post retirement health and life insurance benefits (amount determined annually) for certificated, classified, and administrative employees who have retired. This benefit is for a specified period of time based on the retiree's full-time equivalent service in the District. The number of participants who received post retirement insurance benefits was 560 in the month of January 2006. Expenditures for the insurance benefits totaled \$4,121,460 for the year ended June 30, 2006. Expenditures are accounted for and funded on a pay-as-you-go basis. At June 30, 2006, the District's obligation for retired employees totaled \$17,060,986 (assuming no inflation in insurance premiums). The District has designated \$7,164,312 in the General Fund to help cover this obligation. Effective July 1, 2006, future eligible, retiring employees will have this benefit calculated on the employee's tenure and the District's insurance costs as of June 30, 2006. This change effectively eliminates this benefit over a period of time and "freezes" the total future liability of the District. Since this change, the District has not estimated the amount owing on eligible current employees.

9. RISK MANAGEMENT

The Self-Insurance Fund, an internal service fund, was established to pay self-insurance claims for health and accident coverage provided to qualified District employees. The District carries commercial insurance, which covers catastrophic claims. The fund collects premiums, as established by the District and the plan administrator, from other District funds. The District has recorded an estimate of claims incurred but not reported of \$14,317,082 as of June 30, 2006. This liability is based on experience and information provided by the plan administrator and does not include costs to process the claims. The table on the next page shows a history of accrued claims payable for the years ended June 30, 2006, and 2005.

JORDAN SCHOOL DISTRICT

	2006	2005	Change
Accrued claims payable (beginning of year)	\$ 12,685,807	\$ 10,232,386	\$ 2,453,421
Claims (including incurred but not reported)	44,895,916	42,142,534	2,753,382
Payments of claims	(43,264,641)	(39,689,113)	(3,575,528)
Accrued claims payable (end of year)	<u>\$ 14,317,082</u>	<u>\$ 12,685,807</u>	<u>\$ 1,631,275</u>

The District also maintains insurance coverage for general, automobile, personal injury, errors and omission, employee dishonesty, and malpractice liability up to \$10,000,000 per occurrence through policies administered by the Utah State Risk Management Fund (USRMF). The District also insures its buildings, including those under construction, and contents against all insurable risks of direct physical loss or damage with the Utah State Risk Management Fund. This all-risk insurance coverage provides for repair or replacement of damaged property at a replacement cost basis subject to a deductible of \$1,000 per occurrence. Settled claims have not exceeded the District's insurance coverage for any of the past three years. The USRMF is a public entity risk pool operated by the state for the benefit of state and local governments. The District pays annual premiums to USRMF; USRMF obtains independent coverage for insured events, up to \$25 million per location.

All District employees are covered for workers' compensation by the District's self-insured workers' compensation program. As the liability for workers' compensation as of June 30, 2006, is insignificant, no liability was recorded.

10. LITIGATION

The District is involved in several minor lawsuits, which the District believes will have an insignificant effect on the District's financial position regardless of the outcome.

11. GRANTS

The District receives significant financial assistance from federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the District's independent auditors and other governmental auditors. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable fund. Based on prior experience, District administration believes such disallowance, if any, would be immaterial.

This page intentionally left blank.

Combining and Individual Fund Financial Statements and Schedules

JORDAN SCHOOL DISTRICT

Nonmajor Governmental Funds June 30, 2006

Special Revenue Funds

Special revenue funds generally account for the revenues and expenditures that are restricted to specific programs or projects. The District's special revenue funds are as follows:

- Nutrition Services Fund – to account for the operation of the school lunch and breakfast programs.
- Non K-12 Programs Fund – to account for the operation of preschool, adult education, and community recreation programs.
- Jordan Education Foundation Fund – to account for funds secured from the private sector which are used to enhance public education programs within the District.

JORDAN SCHOOL DISTRICT**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2006**

	Special Revenue			Total Nonmajor Governmental Funds
	Nutrition Services	Non K-12 Programs	Jordan Education Foundation	
Assets:				
Cash and investments	\$ 4,382,619	\$ 4,356,218	\$ 860,076	\$ 9,598,913
Accounts receivable:				
Property taxes	-	554,141	-	554,141
Other local	-	13,300	-	13,300
State of Utah	964,265	-	-	964,265
Federal government	309,494	589,498	-	898,992
Inventories	911,092	-	-	911,092
Total assets	<u>\$ 6,567,470</u>	<u>\$ 5,513,157</u>	<u>\$ 860,076</u>	<u>\$ 12,940,703</u>
Liabilities:				
Accounts payable	\$ 73,308	\$ 53,110	\$ 2,464	\$ 128,882
Deferred revenue:				
Property taxes	-	541,772	-	541,772
Other local	321,167	2,558	-	323,725
State of Utah	-	1,449,845	-	1,449,845
Total liabilities	<u>394,475</u>	<u>2,047,285</u>	<u>2,464</u>	<u>2,444,224</u>
Fund balances:				
Reserved for:				
Encumbrances	116,140	-	-	116,140
Inventories	911,092	-	-	911,092
Unreserved:				
Designated for:				
Schools	-	-	769,818	769,818
Programs	-	24,106	-	24,106
Undesignated	5,145,763	3,441,766	87,794	8,675,323
Total fund balances	<u>6,172,995</u>	<u>3,465,872</u>	<u>857,612</u>	<u>10,496,479</u>
Total liabilities and fund balances	<u>\$ 6,567,470</u>	<u>\$ 5,513,157</u>	<u>\$ 860,076</u>	<u>\$ 12,940,703</u>

JORDAN SCHOOL DISTRICT**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2006**

	Special Revenue			Total Nonmajor Governmental Funds
	Nutrition Services	Non K-12 Programs	Jordan Education Foundation	
Revenues:				
Property taxes	\$ -	\$ 2,118,724	\$ -	\$ 2,118,724
Student fees	-	1,031,615	-	1,031,615
Lunch sales	11,667,019	-	-	11,667,019
Interest	430,612	4,735	12,231	447,578
Other local	-	-	382,034	382,034
State of Utah	3,070,566	5,695,715	-	8,766,281
Federal government	8,167,001	1,671,338	-	9,838,339
Total revenues	23,335,198	10,522,127	394,265	34,251,590
Expenditures:				
Current:				
Nutrition services	22,140,102	-	-	22,140,102
Non K-12 programs	-	10,394,307	-	10,394,307
Foundation	-	-	507,807	507,807
Total expenditures	22,140,102	10,394,307	507,807	33,042,216
Excess (deficiency) of revenues over (under) expenditures	1,195,096	127,820	(113,542)	1,209,374
Other financing sources:				
Transfer in	-	-	168,877	168,877
Net change in fund balances	1,195,096	127,820	55,335	1,378,251
Fund balances - beginning	4,977,899	3,338,052	802,277	9,118,228
Fund balances - ending	\$ 6,172,995	\$ 3,465,872	\$ 857,612	\$ 10,496,479

JORDAN SCHOOL DISTRICT**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Nutrition Services****A Nonmajor Special Revenue Fund**

Year Ended June 30, 2006

With Comparative Totals for 2005

	2006			2005
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)	Actual Amounts
Revenues:				
Local sources:				
Lunch sales - students	\$ 11,221,500	\$ 11,163,215	\$ (58,285)	\$ 10,272,072
Lunch sales - adult	500,000	503,804	3,804	494,847
Interest	250,000	430,612	180,612	210,511
Total local sources	11,971,500	12,097,631	126,131	10,977,430
State sources:				
State lunch program	2,750,000	3,070,566	320,566	2,722,441
Total state sources	2,750,000	3,070,566	320,566	2,722,441
Federal sources:				
Lunch program	1,650,000	1,712,884	62,884	1,613,378
Free and reduced reimbursement	4,300,000	4,278,190	(21,810)	4,068,726
Breakfast program	585,000	568,875	(16,125)	503,642
Other food programs	147,000	185,042	38,042	250,424
Commodity program	1,910,000	1,422,010	(487,990)	1,377,274
Total federal sources	8,592,000	8,167,001	(424,999)	7,813,444
Total revenues	23,313,500	23,335,198	21,698	21,513,315
Expenditures:				
Current:				
Salaries	9,189,170	9,141,402	47,768	8,447,231
Employee benefits	3,019,500	3,076,018	(56,518)	2,804,522
Purchased services	199,700	192,189	7,511	167,613
Supplies and materials	437,300	425,520	11,780	394,312
Food	9,510,000	8,379,070	1,130,930	8,150,714
Property	220,000	222,791	(2,791)	190,508
Other	702,960	703,112	(152)	627,730
Total expenditures	23,278,630	22,140,102	1,138,528	20,782,630
Net change in fund balances	34,870	1,195,096	1,160,226	730,685
Fund balances - beginning	4,977,899	4,977,899	-	4,247,214
Fund balances - ending	\$ 5,012,769	\$ 6,172,995	\$ 1,160,226	\$ 4,977,899

JORDAN SCHOOL DISTRICT**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Non K-12 Programs****A Nonmajor Special Revenue Fund**

Year Ended June 30, 2006

With Comparative Totals for 2005

	2006			2005
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)	Actual Amounts
Revenues:				
Local sources:				
Property taxes	\$ 2,070,000	\$ 2,118,724	\$ 48,724	\$ 2,383,273
Tuitions, sales, and other	871,128	1,031,615	160,487	952,377
Interest	3,000	4,735	1,735	3,206
Total local sources	2,944,128	3,155,074	210,946	3,338,856
State sources:				
Special education - preschool	2,398,119	1,814,437	(583,682)	1,305,634
Adult high school completion	1,947,529	1,183,254	(764,275)	931,035
South Park Academy	1,704,935	1,694,543	(10,392)	1,645,656
Other	520,691	1,003,481	482,790	413,062
Total state sources	6,571,274	5,695,715	(875,559)	4,295,387
Federal sources:				
Special education - preschool	360,796	309,902	(50,894)	451,769
Adult education	206,986	206,985	(1)	229,505
Special education - infants with disabilities	1,550,565	988,929	(561,636)	1,294,963
Other	163,673	165,522	1,849	117,295
Total federal sources	2,282,020	1,671,338	(610,682)	2,093,532
Total revenues	11,797,422	10,522,127	(1,275,295)	9,727,775
Expenditures:				
Current:				
Salaries	6,788,048	6,459,803	328,245	5,697,393
Employee benefits	2,112,885	1,940,071	172,814	1,710,108
Purchased services	853,758	700,152	153,606	642,971
Supplies and materials	751,220	795,208	(43,988)	748,354
Property	1,022,496	225,981	796,515	159,561
Other	267,397	273,092	(5,695)	226,134
Total expenditures	11,795,804	10,394,307	1,401,497	9,184,521
Net change in fund balances	1,618	127,820	126,202	543,254
Fund balances - beginning	3,338,052	3,338,052	-	2,794,798
Fund balances - ending	\$ 3,339,670	\$ 3,465,872	\$ 126,202	\$ 3,338,052

JORDAN SCHOOL DISTRICT**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances**
Jordan Education Foundation
A Nonmajor Special Revenue Fund
Years Ended June 30, 2006 and 2005

	<u>2006</u>	<u>2005</u>
Revenues:		
Local sources:		
Contributions	\$ 382,034	\$ 427,093
Gain on investments	12,231	28,753
Total revenues	<u>394,265</u>	<u>455,846</u>
Expenditures:		
Current:		
Administration	168,877	-
Supplies and materials donated to schools	<u>338,930</u>	<u>328,219</u>
Total expenditures	<u>507,807</u>	<u>328,219</u>
Excess (deficiency) of revenues over (under) expenditures	(113,542)	127,627
Other financing sources:		
Transfer in	<u>168,877</u>	<u>-</u>
Net change in fund balances	55,335	127,627
Fund balances - beginning	<u>802,277</u>	<u>674,650</u>
Fund balances - ending	<u>\$ 857,612</u>	<u>\$ 802,277</u>

JORDAN SCHOOL DISTRICT

Major Governmental Funds

June 30, 2006

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and payment of, principal, interest, and related costs on general obligation bonds.

Capital Projects Fund

The Capital Projects Fund accounts for the acquisition of capital assets and construction of major capital projects not being financed by proprietary funds.

JORDAN SCHOOL DISTRICT**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Debt Service Fund - A Major Governmental Fund**

Year Ended June 30, 2006

With Comparative Totals for 2005

	2006			2005
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)	Actual Amounts
Revenues:				
Property taxes	\$ 36,928,800	\$ 37,253,895	\$ 325,095	\$ 30,822,561
Interest	400,000	712,534	312,534	313,579
Total revenues	37,328,800	37,966,429	637,629	31,136,140
Expenditures:				
Debt service:				
Bond principal	25,860,000	25,860,000	-	24,190,000
Bond interest	8,035,851	7,990,300	45,551	8,366,776
Paying agent fees and other	7,500	5,400	2,100	4,850
Total expenditures	33,903,351	33,855,700	47,651	32,561,626
Excess (deficiency) of revenues over (under) expenditures	3,425,449	4,110,729	685,280	(1,425,486)
Fund balance - beginning	2,393,413	2,393,413	-	3,818,899
Fund balance - ending	\$ 5,818,862	\$ 6,504,142	\$ 685,280	\$ 2,393,413

JORDAN SCHOOL DISTRICT**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Capital Projects Fund - A Major Governmental Fund**

Year Ended June 30, 2006

With Comparative Totals for 2005

	2006			2005
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)	Actual Amounts
Revenues:				
Local sources:				
Property taxes	\$ 64,584,000	\$ 65,672,339	\$ 1,088,339	\$ 65,009,276
Interest	1,200,000	1,824,928	624,928	1,067,789
Other local	-	-	-	1,373,898
Total local sources	65,784,000	67,497,267	1,713,267	67,450,963
State sources:				
Capital equalization	1,297,000	1,297,495	495	465,074
Federal sources:				
Natural gas school bus grant	-	-	-	350,000
Total revenues	67,081,000	68,794,762	1,713,762	68,266,037
Expenditures:				
Sites and improvements	6,654,000	4,077,377	2,576,623	6,268,570
Buildings	52,916,925	41,255,370	11,661,555	60,293,558
Equipment and vehicles	20,800,142	11,580,486	9,219,656	7,506,768
Bond issuance cost	247,974	247,974	-	164,959
Other capital outlay	2,342,785	2,616,517	(273,732)	1,653,860
Total expenditures	82,961,826	59,777,724	23,184,102	75,887,715
Excess (deficiency) of revenues over (under) expenditures	(15,880,826)	9,017,038	24,897,864	(7,621,678)
Other financing sources (uses):				
General obligation bonds issued	25,000,000	25,000,000	-	15,000,000
Bond premium	138,895	138,895	-	235,329
Insurance proceeds	1,667,719	1,667,719	-	-
Transfer out	(14,904,000)	(15,341,188)	(437,188)	(13,974,068)
Proceeds from sale of property	2,889,930	3,086,848	196,918	2,303,282
Total other financing sources (uses)	14,792,544	14,552,274	(240,270)	3,564,543
Net change in fund balances	(1,088,282)	23,569,312	24,657,594	(4,057,135)
Fund balance - beginning	54,912,932	54,912,932	-	58,970,067
Fund balance - ending	\$ 53,824,650	\$ 78,482,244	\$ 24,657,594	\$ 54,912,932

JORDAN SCHOOL DISTRICT

Fiduciary Funds (Agency Funds)

June 30, 2006

Fiduciary funds account for assets held by the District in a trustee capacity or as an agent on behalf of others.

Agency funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. These funds are used to account for assets that the District holds for others in an agency capacity. The *Student Activities Fund* accounts for the receipt and disbursement of monies of student activity organizations. These resources are not available for District programs or budgets.

JORDAN SCHOOL DISTRICT

Statement of Changes in Assets and Liabilities Student Activities Agency Fund Year Ended June 30, 2006

	<u>Balance at July 1, 2005</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance at June 30, 2006</u>
Assets:				
Cash and investments	<u>\$ 7,634,551</u>	<u>\$ 19,311,431</u>	<u>\$ 19,124,857</u>	<u>\$ 7,821,125</u>
Liabilities:				
Due to student organizations:				
Elementary Schools:				
Alta View	\$ 7,853	\$ 140,212	\$ 135,900	\$ 12,165
Altara	18,620	157,223	155,519	20,324
Bell View	24,030	116,391	119,352	21,069
Bella Vista	7,752	80,100	79,712	8,140
Bluffdale	15,969	210,846	218,507	8,308
Brookwood	67,679	156,754	175,901	48,532
Butler	28,841	133,432	134,990	27,283
Butterfield Canyon	-	3,403	2,465	938
Canyon View	13,922	162,163	145,399	30,686
Columbia	8,861	126,216	117,991	17,086
Copper Canyon	7,310	150,267	142,536	15,041
Copperview	13,177	77,699	77,507	13,369
Crescent	21,857	175,896	170,904	26,849
Daybreak	1,145	237,793	235,609	3,329
Draper	40,293	232,761	231,487	41,567
East Midvale	2,858	82,408	82,843	2,423
East Sandy	11,908	140,875	133,603	19,180
Edgemont	15,557	119,501	118,795	16,263
Elk Meadows	54,886	239,898	234,723	60,061
Foothills	39,152	264,845	229,499	74,498
Granite	46,051	176,589	171,304	51,336
Hayden Peak	12,035	257,874	246,657	23,252
Heartland	6,267	92,649	88,837	10,079
Herriman	42,790	301,150	291,539	52,401
Jordan Hills	50,404	244,946	266,118	29,232
Jordan Ridge	19,838	218,889	218,938	19,789
Lone Peak	16,013	153,229	145,716	23,526
Majestic	12,243	56,427	51,861	16,809
Midvale	17,721	73,028	80,929	9,820
Midvalley	14,793	113,968	111,027	17,734
Monte Vista	54,179	187,546	222,228	19,497
Mountain Shadows	11,958	198,635	206,704	3,889
Oak Hollow	22,939	246,880	212,658	57,161
Oakcrest	1,956	164,572	159,567	6,961
Oakdale	20,575	107,574	102,775	25,374

(continued)

JORDAN SCHOOL DISTRICT

Statement of Changes in Assets and Liabilities (Continued)

Student Activities Agency Fund

Year Ended June 30, 2006

	Balance at July 1, 2005	Additions	Deductions	Balance at June 30, 2006
Liabilities (continued):				
Due to student organizations (continued):				
Elementary Schools (continued):				
Oquirrh	\$ 9,841	\$ 147,511	\$ 133,794	\$ 23,558
Park Lane	29,835	123,213	114,935	38,113
Peruvian Park	26,316	147,806	145,345	28,777
Quail Hollow	19,938	142,044	148,872	13,110
Ridgecrest	13,865	89,009	87,368	15,506
Riverside	25,331	141,832	139,028	28,135
Riverton	20,809	132,002	131,645	21,166
Rosamond	39,821	200,444	196,917	43,348
Rose Creek	37,244	189,770	187,624	39,390
Sandy	5,321	77,227	76,819	5,729
Silver Mesa	28,414	117,011	109,402	36,023
South Jordan	37,715	199,258	201,021	35,952
Southland	9,479	191,741	188,243	12,977
Sprucewood	17,962	242,205	241,906	18,261
Sunrise	40,515	129,199	132,281	37,433
Terra Linda	35,550	187,290	167,124	55,716
Welby	52,623	303,735	304,009	52,349
West Jordan	18,740	131,047	136,641	13,146
Westland	21,158	143,127	144,435	19,850
Westvale	27,805	205,671	211,155	22,321
Willow Canyon	9,232	121,721	118,377	12,576
Willow Springs	-	5,875	5,812	63
Total elementary schools	1,278,946	8,971,377	8,842,853	1,407,470
Middle Schools:				
Albion	93,056	372,587	390,942	74,701
Butler	94,665	373,942	370,906	97,701
Crescent View	205,841	466,903	454,261	218,483
Eastmont	85,054	322,929	314,488	93,495
Elk Ridge	181,303	488,037	499,189	170,151
Fort Herriman	7,107	327,988	333,059	2,036
Indian Hills	74,993	378,666	376,523	77,136
Joel P. Jensen	49,908	321,820	316,799	54,929
Midvale	150,738	375,248	388,571	137,415
Mount Jordan	38,952	193,573	198,094	34,431
Oquirrh Hills	61,311	410,916	414,691	57,536
South Hills	73,632	384,845	412,395	46,082
South Jordan	177,664	533,706	549,619	161,751
Sunset Ridge	7,291	246,450	241,267	12,474

(continued)

JORDAN SCHOOL DISTRICT**Statement of Changes in Assets and Liabilities (Concluded)**
Student Activities Agency Fund
Year Ended June 30, 2006

	<u>Balance at July 1, 2005</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance at June 30, 2006</u>
Liabilities (continued):				
Due to student organizations (continued):				
Middle Schools (continued):				
Union	\$ 139,394	\$ 343,234	\$ 350,470	\$ 132,158
West Hills	144,198	353,600	363,180	134,618
West Jordan	162,935	341,254	321,809	182,380
Total middle schools	<u>1,748,042</u>	<u>6,235,698</u>	<u>6,296,263</u>	<u>1,687,477</u>
High Schools:				
Alta	652,806	2,268,419	2,278,577	642,648
Bingham	363,089	2,321,156	2,265,614	418,631
Brighton	731,311	1,974,786	2,032,123	673,974
Copper Hills	323,895	1,494,774	1,523,563	295,106
Hillcrest	352,448	1,508,879	1,471,812	389,515
Jordan	850,240	1,578,375	1,600,364	828,251
Riverton	665,694	2,122,564	2,003,189	785,069
West Jordan	390,361	1,552,617	1,496,570	446,408
Jordan Technical Center - East	23,636	134,842	137,921	20,557
Jordan Technical Center - West	32,965	138,965	137,788	34,142
Valley	137,148	70,640	75,791	131,997
Total high schools	<u>4,523,593</u>	<u>15,166,017</u>	<u>15,023,312</u>	<u>4,666,298</u>
Special Schools:				
Jordan Resource	4,007	45,343	43,544	5,806
Jordan Valley	41,648	155,338	167,494	29,492
South Valley	38,315	404,677	418,410	24,582
Total special schools	<u>83,970</u>	<u>605,358</u>	<u>629,448</u>	<u>59,880</u>
Total all schools	<u>7,634,551</u>	<u>30,978,450</u>	<u>30,791,876</u>	<u>7,821,125</u>
Less nutrition service activities	-	(11,667,019)	(11,667,019)	-
Total liabilities	<u>\$ 7,634,551</u>	<u>\$ 19,311,431</u>	<u>\$ 19,124,857</u>	<u>\$ 7,821,125</u>

JORDAN SCHOOL DISTRICT

STATISTICAL SECTION

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	61 - 64
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	65 - 70
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	71 - 75
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	76 - 77
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	78 - 88
Continuing Disclosure Information These schedules are required as part of the District's ongoing General Obligation Bonded debt disclosures and give additional information to investors about the financial trends and tax base of the District.	89 - 93

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The District implemented GASB Statement 34 with the fiscal year beginning July 1, 2000; therefore, schedules presenting government-wide information include information beginning with June 30, 2001.

JORDAN SCHOOL DISTRICT

This page intentionally left blank.

JORDAN SCHOOL DISTRICT

**Net Assets by Component
Last Six Fiscal Years
June 30, 2001 through 2006
(accrual basis of accounting)**

<u>Fiscal Year Ending June 30,</u>	<u>Invested in capital assets, net of related debt</u>	<u>Restricted</u>	<u>Unrestricted</u>	<u>Total Net Assets</u>
2001	\$ 304,839,248	\$ 44,231,898	\$ 37,457,713	\$ 386,528,859
2002	332,604,261	55,530,727	45,479,643	433,614,631
2003	365,424,751	64,146,387	54,223,617	483,794,755
2004	397,102,894	72,719,788	60,527,415	530,350,097
2005	458,415,301	68,217,842	74,051,813	600,684,956
2006	488,676,500	97,215,481	76,162,517	662,054,498

JORDAN SCHOOL DISTRICT

Changes in Net Assets
Last Six Fiscal Years
June 30, 2001 through 2006
(accrual basis of accounting)

	Fiscal Year Ended June 30,					
	2006	2005	2004	2003	2002	2001
Expenses						
Instruction	\$ 294,226,262	\$ 260,246,692	\$ 243,096,790	\$ 238,901,719	\$ 244,274,909	\$ 230,308,687
Support services:						
Students	11,242,436	10,966,878	10,981,739	10,240,762	10,629,841	9,856,736
Instructional staff	22,162,252	20,729,394	20,057,254	17,415,504	13,344,000	12,138,093
General district administration	3,630,248	3,400,182	3,156,224	2,721,798	2,336,089	2,248,771
School administration	25,819,859	24,631,791	23,610,070	22,382,234	22,410,522	21,196,796
Accounting and purchasing services	3,506,613	3,323,189	3,162,076	2,926,326	2,849,727	2,586,141
Operation and maintenance of buildings	41,118,706	37,139,774	36,056,243	34,489,669	34,354,358	33,143,066
Student transportation	14,410,011	12,820,032	12,238,303	11,261,133	10,602,820	10,189,646
Personnel, planning, and data processing	5,922,790	5,637,806	5,007,521	5,246,134	5,004,073	4,624,555
Other support services	-	163,750	160,614	158,810	159,879	155,826
Nutrition services	22,521,782	21,207,773	20,301,660	18,913,357	18,663,589	17,928,315
Interest on long-term liabilities	8,074,936	8,478,782	8,695,929	9,255,954	10,789,926	11,071,623
Total Expenses	452,635,895	408,746,043	386,524,423	373,913,400	375,419,733	355,448,255
Program Revenues						
Charges for services:						
Instruction	4,119,730	3,669,792	3,076,874	2,048,339	1,947,688	1,848,726
Supporting services	1,495,267	1,345,690	1,482,222	1,787,323	1,426,580	1,530,339
Nutrition services	11,667,019	10,766,919	10,216,267	10,379,669	10,580,447	10,403,541
Operating grants and contributions	99,726,846	96,484,167	85,934,431	82,769,455	87,402,010	82,687,251
Capital grants and contributions	1,297,495	2,185,372	540,521	551,822	1,644,539	1,966,666
Total Program Revenues	118,306,357	114,451,940	101,250,315	97,536,608	103,001,264	98,436,523
Net (Expense)/Revenue	(334,329,538)	(294,294,103)	(285,274,108)	(276,376,792)	(272,418,469)	(257,011,732)
General Revenues and Other Changes in Net Assets						
Property taxes	181,499,274	168,883,000	148,271,137	142,822,273	135,304,733	132,898,440
Federal and state revenue not restricted to specific purposes	194,760,557	184,408,604	176,269,769	174,129,103	175,653,004	165,543,728
Interest	11,154,226	5,680,033	3,107,350	3,348,235	4,275,962	7,477,461
Miscellaneous	8,285,023	5,657,325	4,181,194	6,257,305	4,270,542	5,291,974
Total General and Other	395,699,080	364,628,962	331,829,450	326,556,916	319,504,241	311,211,603
Change in Net Assets	61,369,542	70,334,859	46,555,342	50,180,124	47,085,772	54,199,871
Net Assets - Beginning	600,684,956	530,350,097	483,794,755	433,614,631	386,528,859	332,328,988
Net Assets - Ending	\$ 662,054,498	\$ 600,684,956	\$ 530,350,097	\$ 483,794,755	\$ 433,614,631	\$ 386,528,859

JORDAN SCHOOL DISTRICT

Fund Balances, Governmental Funds Last Six Fiscal Years June 30, 2001 through 2006 (modified accrual basis of accounting)

Fiscal Year Ended June 30,	General Fund		
	Reserved	Unreserved	Total
2001	\$ 3,085,924	\$ 37,738,068	\$ 40,823,992
2002	4,150,318	46,877,484	51,027,802
2003	3,066,300	53,250,231	56,316,531
2004	2,732,389	60,849,776	63,582,165
2005	3,476,869	76,280,355	79,757,224
2006	7,620,620	92,148,253	99,768,873

Fiscal Year Ended June 30,	All Other Governmental Funds				
	Reserved	Unreserved			Total
		Special Revenue	Capital Projects	Debt Service	
2001	\$ 39,458,545	\$ 2,474,235	\$ -	\$ -	\$ 41,932,780
2002	48,558,181	4,324,316	-	-	52,882,497
2003	55,076,824	6,244,387	-	-	61,321,211
2004	63,747,046	6,758,582	-	-	70,505,628
2005	58,184,098	8,240,475	-	-	66,424,573
2006	86,013,618	9,469,247	-	-	95,482,865

Reserved fund balances are restricted by external requirements for purposes other than general appropriation in the next fiscal year.

JORDAN SCHOOL DISTRICT

Changes in Fund Balances, Governmental Funds

Last Six Fiscal Years

June 30, 2001 through 2006

(modified accrual basis of accounting)

	Fiscal Year Ended June 30,					
	2006	2005	2004	2003	2002	2001
Revenues						
Property taxes	\$ 181,680,318	\$ 169,517,273	\$ 149,287,842	\$ 142,589,145	\$ 134,758,638	\$ 132,806,027
Other local sources	33,821,030	28,996,033	24,471,666	23,990,968	23,883,245	27,131,497
State of Utah	262,750,265	250,402,392	235,835,655	230,644,775	240,970,844	230,799,854
Federal government	33,034,633	31,305,453	26,909,066	26,805,605	23,728,709	19,397,791
Total revenues	511,286,246	480,221,151	436,504,229	424,030,493	423,341,436	410,135,169
Expenditures						
Instruction	243,679,846	233,666,743	214,197,201	215,480,738	221,250,591	211,498,454
Supporting services:						
Students	11,241,169	10,936,475	11,062,558	10,591,340	10,820,476	10,129,364
Instructional staff	23,017,422	21,832,050	20,608,435	17,627,396	13,738,791	12,413,292
General district administration	2,423,188	2,465,806	2,272,711	1,766,305	1,393,860	1,374,916
School administration	24,844,438	23,634,429	22,757,649	21,806,596	21,697,453	20,540,152
Accounting and purchasing	3,499,911	3,303,665	3,155,926	2,942,937	2,850,631	2,586,490
Operation and maintenance of buildings	38,534,055	34,663,679	33,791,776	32,638,123	32,395,320	31,359,092
Student transportation	12,280,486	10,952,255	10,436,765	9,673,619	9,035,572	8,771,694
Personnel, planning, and data processing	5,913,612	5,629,889	5,013,624	5,289,573	5,004,787	4,628,021
Other support services	-	164,275	161,114	158,810	160,020	156,114
Nutrition services	22,140,102	20,782,630	20,030,887	18,837,906	18,596,258	17,708,472
Non K-12 programs	10,394,307	9,184,521	8,359,822	7,704,882	7,726,255	7,364,623
Foundation *	507,807	-	-	-	-	-
Capital outlay	59,529,750	75,722,756	58,907,664	50,991,775	39,958,355	32,277,348
Debt Service:						
Bond principal	25,860,000	24,190,000	22,535,000	19,890,000	18,275,000	17,025,000
Bond interest and fees	7,995,700	8,371,626	8,469,487	9,057,483	10,814,115	11,087,787
Bond issuance cost	247,974	164,959	343,162	338,575	75,513	70,509
Total expenditures	492,109,767	485,665,758	442,103,781	424,796,058	413,792,997	388,991,328
Excess (deficiency) of revenues over (under) expenditures	19,176,479	(5,444,607)	(5,599,552)	(765,565)	9,548,439	21,143,841
Other financing sources (uses)						
Capital lease	-	-	1,685,936	155,787	1,498,119	-
Insurance proceeds	1,667,719	-	-	-	-	-
Refunding bonds issued	-	-	30,585,000	49,740,000	-	-
School building bonds issued	25,000,000	15,000,000	20,000,000	10,000,000	10,000,000	14,500,000
Bond premium	138,895	235,329	3,404,987	1,086,998	57,811	266,635
Payment to refunded bonds escrow agent	-	-	(33,802,993)	(50,583,251)	-	-
Sale of capital assets	3,086,848	2,303,282	176,673	4,093,474	49,158	546,416
Total other financing sources (uses)	29,893,462	17,538,611	22,049,603	14,493,008	11,605,088	15,313,051
Net change in fund balance	49,069,941	12,094,004	16,450,051	13,727,443	21,153,527	36,456,892
Fund Balance - Beginning	146,181,797	134,087,793	117,637,742	103,910,299	82,756,772	46,299,880
Fund Balance - Ending	\$ 195,251,738	\$ 146,181,797	\$ 134,087,793	\$ 117,637,742	\$ 103,910,299	\$ 82,756,772
Debt service as a percentage of noncapital expenditures	7.92%	8.12%	8.17%	7.88%	7.91%	8.01%

* Effective June 30, 2006, all Foundation costs are reported under the Foundation and not distributed to other categories.

JORDAN SCHOOL DISTRICT

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Tax Years
December 31, 1996 through 2005

Tax Year	Residential	Industrial & Commercial	Agriculture	Personal	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
1996	\$6,892,364,280	\$2,838,636,426	\$38,397,610	\$1,097,932,183	\$10,867,330,499	0.006392	\$15,910,116,570	68.30%
1997	7,981,070,140	3,342,117,108	55,968,910	1,368,518,899	12,747,675,057	0.006504	18,604,819,665	68.52%
1998	8,396,204,287	3,535,591,517	47,260,580	1,520,799,502	13,499,855,886	0.006561	19,736,090,178	68.40%
1999	8,818,337,492	3,765,728,428	48,405,980	1,522,096,203	14,154,568,103	0.007578	20,793,726,710	68.07%
2000	9,555,316,189	4,243,828,047	52,478,540	1,468,745,069	15,320,367,845	0.008845	22,519,582,867	68.03%
2001	10,137,398,504	4,782,098,833	57,078,650	1,645,004,446	16,621,580,433	0.008424	24,221,802,830	68.62%
2002	10,932,885,207	4,979,785,478	45,828,880	1,791,533,166	17,750,032,731	0.008344	25,954,244,754	68.39%
2003	11,473,589,025	5,081,700,166	44,885,200	1,459,682,204	18,059,856,595	0.008366	26,663,108,548	67.73%
2004	12,369,289,003	5,349,297,637	42,140,250	1,866,385,907	19,627,112,797	0.008856	28,892,271,412	67.93%
2005	13,741,290,822	5,795,958,740	50,230,510	1,882,382,417	21,469,862,489	0.008655	31,743,425,558	67.64%

Source: Property Tax Division, Utah State Tax Commission

JORDAN SCHOOL DISTRICT

Direct and Overlapping Property Tax Rates

Last Ten Tax Years

December 31, 1996 through 2005

(rate per \$1 of assessed value)

	Tax Rates for the Tax Year Ended December 31,									
	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996
Jordan District direct rates										
Basic Program (1)	0.001720	0.001800	0.001825	0.001807	0.001785	0.001881	0.001840	0.001840	0.001950	0.002046
Voted Leeway (2)	0.001200	0.001200	0.001000	0.001000	0.001000	0.001000	0.000992	0.001013	0.000891	0.000955
Board Voted Leeway (3)	0.000400	0.000400	0.000400	0.000400	0.000400	0.000400	0.000397	0.000406	0.000374	0.000400
K-3 Reading Program (4)	0.000121	0.000121	(c)	(c)	(c)	(c)	(c)	(c)	(c)	(c)
Special Transportation (5)	0.000160	0.000160	0.000100	0.000100	0.000100	0.000103	0.000103	0.000066	0.000065	0.000069
Tort Liability (6)	0.000050	0.000050	0.000040	0.000023	0.000027	0.000086	0.000086	0.000035	0.000037	0.000034
Non K-12, Recreation (7)	0.000100	0.000125	0.000105	0.000135	0.000139	0.000144	0.000085	0.000083	0.000082	0.000092
Capital Projects (8)	0.002400	0.002400	0.002400	0.002400	0.002400	0.002400	0.001355	0.000679	0.000669	0.000715
10% of Basic - Other (9)	0.000720	0.001000	0.000712	0.000695	0.000844	0.000943	0.000795	0.000679	0.000783	0.000840
Debt Service (10)	0.001784	0.001600	0.001784	0.001784	0.001729	0.001888	0.001925	0.001760	0.001653	0.001241
Total direct rate	0.008655	0.008856	0.008366	0.008344	0.008424	0.008845	0.007578	0.006561	0.006504	0.006392
Overlapping Rates										
Salt Lake County	0.002682	0.002816	0.002868	0.002939	0.003025	0.002904	0.003246	0.002805	0.003551	0.003782
Alta Town	0.001185	0.001350	0.001298	0.001182	0.001399	0.001263	0.001200	0.001307	0.001171	0.001194
Bluffdale City	0.001131	0.001184	0.001260	0.001287	0.001098	0.001134	0.000893	0.000902	0.000851	0.001015
Cottonwood Heights City	0.000000	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)
Draper City	0.001469	0.001327	0.001354	0.001337	0.001365	0.001122	0.000923	0.000905	0.000905	0.000905
Herriman City	0.002117	0.002268	0.002234	0.002294	0.002318	0.002117	(a)	(a)	(a)	(a)
Midvale City	0.002443	0.002579	0.002252	0.002253	0.002302	0.002161	0.001329	0.001385	0.001375	0.001450
Riverton City	0.001415	0.001502	0.001525	0.001525	0.001571	0.001372	0.001167	0.001177	0.001233	0.001305
Sandy City	0.001757	0.001844	0.001890	0.001895	0.001960	0.001788	0.001615	0.001606	0.001586	0.001758
South Jordan City	0.002211	0.001874	0.001933	0.001950	0.002004	0.001863	0.001704	0.001670	0.001647	0.001736
West Jordan City	0.002572	0.002695	0.002466	0.002419	0.002483	0.002296	0.002220	0.002168	0.002143	0.002277
Salt Lake County Library	0.000696	0.000733	0.000747	0.000744	0.000764	0.000583	0.000607	0.000607	0.000608	0.000647
Central Utah Water Project	0.000400	0.000353	0.000358	0.000358	0.000369	0.000377	0.000396	0.000397	0.000400	0.000342
Other special district - low	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Other special district - high	0.003181	0.003507	0.003120	0.003038	0.002981	0.002028	0.001996	0.001634	0.001544	0.001610

Limitations per Utah State Statute:

- (1) Rate established annually by Utah State Legislature
- (2) Maximum rate is 0.001600
- (3) Maximum rate is 0.000400
- (4) Maximum rate is 0.000121
- (5) Maximum rate is 0.000300
- (6) Maximum rate is 0.000100
- (7) No maximum rate
- (8) Maximum rate is 0.002400
- (9) Maximum rate based on formula and changes annually.
- (10) No maximum rate, but must have voter approval for bonds issued

- (a) Herriman City became incorporated in 2000.
- (b) Cottonwood Heights City became incorporated in 2005.
- (c) The K-3 Reading Program tax became available by law in 2004.

Source: Utah Foundation *Statistical Review of Government in Utah* as compiled from property tax records of the Utah State Tax Commission and Utah Taxpayers Association's website

Note: The Voted Leeway and the Board Voted Leeway tax rates for 1998 were higher than the maximum tax rate of 0.000400 because the State Tax Commission allowed a one-time judgment rate to be levied to cover the cost of a refund to a large taxpayer.

JORDAN SCHOOL DISTRICT

Some of the Principal Property Tax Payers
Current Year and Nine Years Ago
December 31, 2005 and 1996

Taxpayer	December 31, 2005		December 31, 1996	
	Taxable Value	Percent of District's Total Taxable Value (1)	Taxable Value	Percent of District's Total Taxable Value (1)
Kennecott Utah Copper	\$ 439,452,326	2.24%	\$ 471,579,610	4.48%
PacificCorp.	194,121,840	0.99%	148,439,090	1.41%
South Towne Investors	110,335,200	0.56%	50,866,800	0.48%
Qwest Communications	104,338,194	0.53%	105,095,180	1.00%
Jordan Landing LLC	94,531,900	0.48%	-	-
Becton Dickinson	82,124,496	0.42%	39,764,398	0.38%
Questar Gas	64,583,767	0.33%	43,318,620	0.41%
Jordan Commons LLC	63,147,663	0.32%	-	-
Snowbird LTD	51,131,400	0.26%	-	-
Intel Corporation	48,765,800	0.25%	-	-
Barney's Canyon Mining Company	-	-	42,981,000	0.41%
National Semiconductor	-	-	32,591,823	0.31%
Vidalakis Investment Co.	-	-	30,052,900	0.29%
Wellsford Springs Associates	-	-	24,163,335	0.23%
Totals	<u>\$ 1,252,532,586</u>	<u>6.38%</u>	<u>\$ 988,852,756</u>	<u>9.40%</u>

Source: Salt Lake County Assessor's Office and State Tax Commission

(1) Excludes motor vehicles (fee-in-lieu and age based)

JORDAN SCHOOL DISTRICT

Property Tax Levies and Collections (detail) Last Ten Tax Years December 31, 1996, through 2005

Row #	Description	Formula	2005	2004	2003	2002
1	Estimated Fair Market Value		\$ 31,743,425,558	\$ 28,892,271,412	\$ 26,663,108,548	\$ 25,954,244,754
2	Assessed Value *		21,469,862,489	19,627,112,797	18,059,856,595	17,750,032,731
3	Assessed Value as % of Fair Market Value	2/1	67.64%	67.93%	67.73%	68.39%
4	Tax Rate		0.008655	0.008856	0.008366	0.008344
5	Taxes Assessed **		188,387,686	174,334,532	155,226,987	148,795,625
6	Taxes Waived (RDA) **		7,300,933	6,698,862	6,600,528	6,457,209
7	Waived as % of Assessed Value	6/5	3.88%	3.84%	4.25%	4.34%
8	Taxes Levied	5-6	181,086,753	167,635,670	148,626,459	142,338,416
9	Collected In Calendar Year of the Levy **		175,479,830	162,352,466	143,293,158	136,319,438
10	Collected In Calendar Year of Levy as % of Taxes Levied That Year	9/8	96.90%	96.85%	96.41%	95.77%
11	Uncollected In Year of the Levy **	8-9	5,606,923	5,283,204	5,333,301	6,018,978
12	Prior Years Uncollected Collected in this Year **		5,524,842	5,738,222	6,176,390	5,045,560
13	Total Collections in this Year **	9+12	181,004,672	168,090,688	149,469,548	141,364,998
14	Total Collections as % of Taxes Levied	13/8	99.95%	100.27%	100.57%	99.32%
15	Total Collections as % of Taxes Assessed	13/5	96.08%	96.42%	96.29%	95.01%
16	Taxes Levied this Year and Collected in Subsequent Years		-	3,936,606	4,613,937	5,610,358
17	Total Collections on This Years Levy	16+9	175,479,830	166,289,072	147,907,095	141,929,796
18	Total Collections on This Years Levy as % Of Taxes Levied	17/8	96.90%	99.20%	99.52%	99.71%

* Source: Property Tax Division, Utah State Tax Commission (includes Fee in Lieu property).

** Source: Salt Lake County Treasurer's Office (includes Property Tax and Motor Vehicle Fee in Lieu).

This schedule recognizes collections on a calendar year basis,
whereas property tax collections reported in financial statements are on a fiscal year basis.

Property Tax Year Ended December 31,

2001	2000	1999	1998	1997	1996
\$ 24,221,802,830	\$ 22,519,582,867	\$ 20,793,726,710	\$ 19,736,090,178	\$ 18,604,819,665	\$ 15,910,116,570
16,621,580,433	15,320,367,845	14,154,568,103	13,499,855,886	12,747,675,057	10,867,330,499
68.62%	68.03%	68.07%	68.40%	68.52%	68.30%
0.008424	0.008845	0.007578	0.006561	0.006504	0.006392
140,714,713	136,208,739	107,557,983	91,169,705	86,370,585	72,893,955
5,835,690	4,689,822	3,465,954	2,605,205	1,808,836	1,393,701
4.15%	3.44%	3.22%	2.86%	2.09%	1.91%
134,879,023	131,518,917	104,092,029	88,564,500	84,561,749	71,500,254
129,211,326	126,046,109	100,024,410	85,334,444	81,467,400	69,123,651
95.80%	95.84%	96.09%	96.35%	96.34%	96.68%
5,667,697	5,472,808	4,067,619	3,230,056	3,094,349	2,376,603
4,337,443	3,677,169	2,751,011	2,440,639	2,223,026	2,112,733
133,548,769	129,723,278	102,775,421	87,775,083	83,690,426	71,236,384
99.01%	98.63%	98.74%	99.11%	98.97%	99.63%
94.91%	95.24%	95.55%	96.28%	96.90%	97.73%
5,356,514	5,263,292	3,924,415	3,093,525	2,830,063	2,222,651
134,567,840	131,309,401	103,948,825	88,427,969	84,297,463	71,346,302
99.77%	99.84%	99.86%	99.85%	99.69%	99.78%

JORDAN SCHOOL DISTRICT

Property Tax Levies and Collections (summary)

Last Ten Tax Years

December 31, 1996 through 2005

Tax Year Ended December 31,	Taxes Levied For The Calendar Year	Collected within the Calendar Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1996	\$ 71,500,254	\$ 69,123,651	96.68%	\$ 2,222,651	\$71,346,302	99.78%
1997	84,561,749	81,467,400	96.34%	2,830,063	84,297,463	99.69%
1998	88,564,500	85,334,444	96.35%	3,093,525	88,427,969	99.85%
1999	104,092,029	100,024,410	96.09%	3,924,415	103,948,825	99.86%
2000	131,518,917	126,046,109	95.84%	5,263,292	131,309,401	99.84%
2001	134,879,023	129,211,326	95.80%	5,356,514	134,567,840	99.77%
2002	142,338,416	136,319,438	95.77%	5,610,358	141,929,796	99.71%
2003	148,626,459	143,293,158	96.41%	4,613,937	147,907,095	99.52%
2004	167,635,670	162,352,466	96.85%	3,936,606	166,289,072	99.20%
2005	181,086,753	175,479,830	96.90%	-	175,479,830	96.90%

* Source: Salt Lake County Treasurer's Office (includes Property Tax and Motor Vehicle Fee In Lieu).

This schedule recognizes collections on a calendar year (tax year) basis, whereas property tax collections reported in the basic financial statements are on a fiscal year basis.

JORDAN SCHOOL DISTRICT

Ratios of Outstanding Debt Last Ten Fiscal Years June 30, 1997 through 2006

Fiscal Year Ended June 30,	Outstanding General Obligation Bonds	Net General Bonded Debt As Percentage of Taxable Value	Net Bonded Debt Per Capita	Net Bonded Debt Per Student	Capital Leases	Total Debt	Debt As Percentage of Taxable Value	Debt Per Capita	Debt Per Student
1997	\$110,995,000	1.02%	\$ 364	\$ 1,531	\$ -	\$110,995,000	1.02%	\$ 364	\$1,531
1998	166,910,000	1.31%	522	2,295	-	166,910,000	1.31%	522	2,295
1999	202,865,000	1.50%	618	2,780	-	202,865,000	1.50%	618	2,780
2000	201,945,000	1.43%	601	2,783	-	201,945,000	1.43%	601	2,783
2001	199,420,000	1.30%	580	2,750	-	199,420,000	1.30%	580	2,750
2002	191,145,000	1.15%	543	2,624	-	191,145,000	1.15%	543	2,624
2003	184,910,000	1.04%	514	2,521	1,374,459	186,284,459	1.05%	517	2,540
2004	181,965,000	1.01%	496	2,449	1,023,834	182,988,834	1.01%	499	2,462
2005	172,775,000	0.88%	462	2,291	-	172,775,000	0.88%	462	2,291
2006	171,915,000	0.80%	450	2,222	-	171,915,000	0.80%	450	2,222

JORDAN SCHOOL DISTRICT

Direct and Overlapping Governmental Activities Debt As of June 30, 2006

Taxing Entity (1)	2005 Taxable Value (2)	Jordan School District's Portion of Taxable Value	District's Per- centage	Entity's General Obligation Debt	District's Portion of G. O. Debt
Overlapping:					
CUWCD (3)	\$ 78,151,699,930	\$ 19,603,113,436	25.1%	\$ 314,769,820	\$ 79,007,225
Salt Lake County	54,059,901,092	19,603,113,436	36.3%	191,570,000	69,539,910
Cottonwood Heights Parks and Recreation Service Area	1,466,915,654	1,466,915,654	100.0%	7,153,999	7,153,999
City of Draper	2,376,462,048	2,376,462,048	100.0%	6,670,000	6,670,000
Midvale City	1,158,772,751	1,158,772,751	100.0%	4,220,000	4,220,000
Sandy City	4,776,420,481	4,776,420,481	100.0%	3,650,000	3,650,000
Sandy Suburban Improvement District	2,104,513,425	2,104,513,425	100.0%	14,210,000	14,210,000
South Valley Sewer District	7,920,826,817	7,920,826,817	100.0%	650,000	650,000
City of West Jordan	3,545,034,659	3,545,034,659	100.0%	10,785,000	10,785,000
Total Overlapping Principal General Obligation Debt					<u>195,886,134</u>
Total Direct General Obligation Debt					<u>171,915,000</u>
Total Direct and Overlapping Principal General Obligation Debt					<u>\$ 367,801,134</u>

- (1) The State's general obligation debt is not included in overlapping debt because the State currently levies no property tax for payment of its general obligation bonds.
- (2) Taxable value used in this table excludes the taxable value used to determine uniform fees on tangible personal property.
- (3) Central Utah Water Conservancy District's ("CUWCD") outstanding general obligation bonds are limited ad valorem tax bonds. By law, CUWCD may levy a tax rate of up to 0.000400 to pay for operation and maintenance expenses and any outstanding general obligation indebtedness.

JORDAN SCHOOL DISTRICT

Legal Debt Margin Information Last Ten Fiscal Years June 30, 1997 through 2006

Fiscal Year Ended June 30,	Estimated Fair Market Value	Debt Limit 4% of Fair Market Value	Less General Obligation Debt	Plus (Less) Deferred Amounts	Legal Debt Margin	Percentage of Debt To Debt Limit
1997	\$ 15,910,116,570	\$ 636,404,663	\$110,995,000	\$ -	\$ 525,409,663	17.44%
1998	18,604,819,665	744,192,787	166,910,000	-	577,282,787	22.43%
1999	19,736,090,178	789,443,607	202,865,000	-	586,578,607	25.70%
2000	20,793,726,710	831,749,068	201,945,000	-	629,804,068	24.28%
2001	22,519,582,867	900,783,315	199,420,000	(254,785)	701,108,530	22.17%
2002	24,221,802,830	968,872,113	191,145,000	(291,930)	777,435,183	19.76%
2003	25,954,244,754	1,038,169,790	184,910,000	2,608,802	855,868,592	17.56%
2004	26,663,108,548	1,066,524,342	181,965,000	1,861,645	886,420,987	16.89%
2005	28,892,271,412	1,155,690,856	172,775,000	1,491,841	984,407,697	14.82%
2006	31,743,425,558	1,269,737,022	171,915,000	1,227,731	1,099,049,753	13.44%

The general obligation indebtedness of the District is limited by Utah law to 4% of the fair market value of taxable property in the District. The legal debt margin (additional debt incurring capacity of the District) is based on estimated assessed value. As determined by the Utah State Auditor and Utah State Treasurer, the deferred amounts associated with debt issuances are to be included in the calculation of debt margin.

For debt incurring capacity only, in computing the fair market value of taxable property in the District, the fair market value of all tax equivalent property (which value includes the values of motor vehicles, watercraft, recreational vehicles and all other tangible personal property required to be registered with the State) is included as a part of the fair market value of the taxable property in the District.

JORDAN SCHOOL DISTRICT

Debt Service Schedule of Outstanding General Obligation Bonds (Fiscal Year) As of June 30, 2006

		2007	2008	2009	2010	2011	2012	2013
Series 1997	Principal	\$ 4,670,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 65,000,000	Interest	268,525	-	-	-	-	-	-
Series 1997A	Principal	11,265,000	2,730,000	2,880,000	3,035,000	-	-	-
\$ 37,870,000	Interest	1,045,275	453,863	310,538	159,338	-	-	-
Series 1998	Principal	3,400,000	3,575,000	-	-	-	-	-
\$ 50,000,000	Interest	348,750	178,750	-	-	-	-	-
Series 1999	Principal	935,000	975,000	1,025,000	-	-	-	-
\$ 14,500,000	Interest	149,250	102,500	52,531	-	-	-	-
Series 2000	Principal	885,000	925,000	975,000	1,025,000	-	-	-
\$ 14,500,000	Interest	190,500	146,250	100,000	51,250	-	-	-
Series 2001	Principal	595,000	620,000	645,000	675,000	705,000	735,000	765,000
\$ 10,000,000	Interest	307,668	285,355	260,555	234,755	206,068	176,105	144,868
Series 2002	Principal	1,275,000	1,300,000	300,000	5,340,000	6,600,000	6,810,000	7,075,000
\$ 39,540,000	Interest	1,198,500	1,166,625	1,127,625	1,118,625	938,400	707,400	435,000
Series 2003	Principal	1,355,000	650,000	665,000	685,000	710,000	740,000	765,000
\$ 20,200,000	Interest	284,488	257,388	242,763	224,475	203,925	182,625	158,575
Series 2003A	Principal	1,125,000	1,200,000	1,200,000	1,250,000	1,275,000	1,350,000	1,400,000
\$ 20,000,000	Interest	619,038	588,100	552,100	513,100	469,350	422,175	370,875
Series 2004	Principal	-	4,905,000	8,865,000	5,345,000	5,600,000	5,870,000	-
\$ 30,585,000	Interest	1,351,800	1,351,800	1,155,600	756,675	516,150	264,150	-
Series 2004A	Principal	825,000	850,000	875,000	900,000	930,000	960,000	1,000,000
\$ 15,000,000	Interest	470,425	445,675	420,175	393,925	364,675	334,450	300,850
Series 2005	Principal	350,000	1,475,000	1,550,000	1,550,000	1,635,000	1,675,000	1,755,000
\$ 25,000,000	Interest	941,331	929,082	877,456	823,206	768,956	709,688	646,875
Total		<u>\$33,855,550</u>	<u>\$25,110,388</u>	<u>\$24,079,343</u>	<u>\$24,080,349</u>	<u>\$20,922,524</u>	<u>\$20,936,593</u>	<u>\$14,817,043</u>
Total Principal		<u>\$26,680,000</u>	<u>\$19,205,000</u>	<u>\$18,980,000</u>	<u>\$19,805,000</u>	<u>\$17,455,000</u>	<u>\$18,140,000</u>	<u>\$12,760,000</u>
Total Interest		<u>7,175,550</u>	<u>5,905,388</u>	<u>5,099,343</u>	<u>4,275,349</u>	<u>3,467,524</u>	<u>2,796,593</u>	<u>2,057,043</u>
Total		<u>\$33,855,550</u>	<u>\$25,110,388</u>	<u>\$24,079,343</u>	<u>\$24,080,349</u>	<u>\$20,922,524</u>	<u>\$20,936,593</u>	<u>\$14,817,043</u>

2014	2015	2016	2017	2018	2019	2020	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,670,000
-	-	-	-	-	-	-	268,525
-	-	-	-	-	-	-	19,910,000
-	-	-	-	-	-	-	1,969,014
-	-	-	-	-	-	-	6,975,000
-	-	-	-	-	-	-	527,500
-	-	-	-	-	-	-	2,935,000
-	-	-	-	-	-	-	304,281
-	-	-	-	-	-	-	3,810,000
-	-	-	-	-	-	-	488,000
800,000	840,000	875,000	-	-	-	-	7,255,000
111,973	76,773	39,813	-	-	-	-	1,843,933
2,550,000	1,250,000	-	-	-	-	-	32,500,000
152,000	50,000	-	-	-	-	-	6,894,175
800,000	830,000	865,000	900,000	-	-	-	8,965,000
131,800	103,800	70,600	36,000	-	-	-	1,896,439
1,450,000	1,525,000	1,575,000	1,650,000	1,725,000	-	-	16,725,000
317,675	262,575	203,100	140,100	72,450	-	-	4,530,638
-	-	-	-	-	-	-	30,585,000
-	-	-	-	-	-	-	5,396,175
1,035,000	1,075,000	1,120,000	1,170,000	1,225,000	1,285,000	-	13,250,000
265,850	229,625	192,000	147,200	100,400	51,400	-	3,716,650
1,820,000	1,885,000	1,965,000	2,040,000	2,125,000	2,210,000	2,300,000	24,335,000
576,675	503,875	428,475	349,875	268,275	183,275	94,875	8,101,919
<u>\$ 10,010,973</u>	<u>\$ 8,631,648</u>	<u>\$ 7,333,988</u>	<u>\$ 6,433,175</u>	<u>\$ 5,516,125</u>	<u>\$ 3,729,675</u>	<u>\$ 2,394,875</u>	<u>\$ 207,852,249</u>
\$ 8,455,000	\$ 7,405,000	\$ 6,400,000	\$ 5,760,000	\$ 5,075,000	\$ 3,495,000	\$ 2,300,000	\$ 171,915,000
1,555,973	1,226,648	933,988	673,175	441,125	234,675	94,875	35,937,249
<u>\$ 10,010,973</u>	<u>\$ 8,631,648</u>	<u>\$ 7,333,988</u>	<u>\$ 6,433,175</u>	<u>\$ 5,516,125</u>	<u>\$ 3,729,675</u>	<u>\$ 2,394,875</u>	<u>\$ 207,852,249</u>

JORDAN SCHOOL DISTRICT

Demographic and Economic Statistics Last Ten Fiscal Years June 30, 1997 through 2006

Fiscal Year Ended June 30,	Jordan* District Estimated Population	Salt Lake** County Estimated Population	Salt Lake** County Total Personal Income	Salt Lake** County Per Capita Income	Salt Lake** County Unemployment Rate	Estimated*** Construction Within Jordan District	Percentage* of Students of Minority Ancestry
1997	305,000	858,306	\$ 19,986,513,516	\$ 23,286	2.80%	\$ 470,709,421	6.10%
1998	320,000	870,735	21,423,563,940	24,604	3.30%	668,231,992	6.60%
1999	328,000	885,216	22,675,693,056	25,616	3.30%	571,986,704	6.10%
2000	336,000	902,777	24,983,450,698	27,674	3.20%	638,885,516	6.50%
2001	344,000	918,279	26,552,037,285	28,915	4.40%	548,818,597	6.90%
2002	352,000	927,564	27,223,075,836	29,349	6.00%	542,874,980	7.60%
2003	360,000	940,465	28,061,594,670	29,838	5.90%	630,501,258	7.60%
2004	367,000	955,166	29,958,781,590	31,365	5.20%	770,712,654	8.20%
2005	374,000	978,285	32,266,774,155	32,983	4.40%	949,292,667	8.90%
2006	382,000	na	na	na	na	1,284,443,166	10.60%

* Based on District estimates and data available to District personnel.

** The District covers much of Salt Lake County. The District serves several municipalities and unincorporated areas making statistics specific to the District impracticable to obtain. Therefore, statistics for Salt Lake County are given since those are representative of the District. These statistics are published on the Utah State Department of Workforce Services website.

*** Based on building permits issued by city planning and zoning departments. Values are estimated construction costs. Source - *Construction Monitor Wasatch Front Report*.

na - This information was not available when this report was published.

JORDAN SCHOOL DISTRICT

**Some of the Principal Employers
Current Year and Nine Years Ago
June 30, 2006 and 1997**

Employer	June 30, 2006		June 30, 1997	
	Number of Employees	Percent of District's Total Estimated Population	Number of Employees	Percent of District's Total Estimated Population
Intermountain Health Care	10,000-15,000	3.27%	6,800-10,425	2.82%
Jordan School District	7,000-10,000	2.23%	5,000-7,000	1.97%
Wal-Mart	4,000-5,000	1.18%	-	-
ACS Business Process Solutions, Inc.	2,000-3,000	0.65%	-	-
Albertsons	2,000-3,000	0.65%	1,250-2,500	0.61%
Smiths/Smiths Marketplace	2,000-3,000	0.65%	1,750-3,400	0.84%
Wells Fargo Bank	2,000-3,000	0.65%	1,835-2,975	0.79%
Zions Bank Management Services	2,000-3,000	0.65%	1,385-2,035	0.56%
Becton Dickinson Infusion Therapy	1,000-2,000	0.39%	1,210-2,325	0.58%
Kennecott Utah Copper	1,000-2,000	0.39%	2,400-3,500	0.97%
Family Health Plan (FHP)	-	-	1,700-2,500	0.69%
PacifiCorp (Utah Power & Light)	-	-	1,250-1,900	0.52%
Totals	<u>33,000-49,000</u>	<u>12.08%</u>	<u>24,580-38,560</u>	<u>10.35%</u>

The number of employees within the District's boundaries for these employers is unavailable. Therefore, the number of employees listed represents an approximate range of number of employees, per Salt Lake County and the Utah Department of Workforce Services.

JORDAN SCHOOL DISTRICT

Full-time Equivalents
Last Ten Fiscal Years
June 30, 1997 through 2006

	Full-time Equivalent Employees as of June 30,									
	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Instruction	4,259.43	4,047.73	3,970.89	3,802.06	3,799.26	3,853.74	3,740.73	3,836.56	3,717.87	3,756.13
Supporting services:										
Students	181.36	177.49	175.48	163.32	168.84	166.96	168.53	156.67	132.76	144.87
Instructional staff	167.47	160.10	157.60	166.71	166.43	160.87	153.14	163.70	133.06	144.15
General district administration	18.00	18.00	13.00	13.00	11.00	10.00	10.00	10.00	10.00	10.00
School administration	398.00	400.32	381.88	380.92	357.81	326.93	378.16	335.80	329.04	352.64
Accounting and purchasing	35.86	35.49	34.43	34.72	34.72	33.29	36.10	35.00	30.00	33.01
Operation and maintenance of buildings	401.42	388.45	394.31	390.76	404.46	430.93	420.01	389.00	328.89	332.96
Student transportation	206.22	205.46	195.41	189.93	175.75	172.31	179.90	179.03	155.44	149.24
Personnel, planning, and data processing	71.94	76.73	72.50	69.06	68.48	64.87	72.75	62.75	59.01	45.55
Other support services	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Nutrition services	417.71	420.50	417.91	403.02	414.00	395.43	401.25	380.20	422.19	355.41
Non K-12 programs	134.53	125.54	126.42	104.22	100.37	77.17	87.30	120.67	134.16	86.56
Capital projects	7.00	7.00	7.00	7.00	7.00	7.00	6.00	6.00	6.00	6.00
Total	<u>6,300.94</u>	<u>6,064.81</u>	<u>5,948.83</u>	<u>5,726.72</u>	<u>5,710.12</u>	<u>5,701.50</u>	<u>5,655.87</u>	<u>5,677.38</u>	<u>5,460.42</u>	<u>5,418.52</u>
Licensed (teachers)	3,910.45	3,724.00	3,635.60	3,461.01	3,465.30	3,553.10	3,448.47	3,528.01	3,430.12	3,423.24
Classified (support)	<u>2,390.49</u>	<u>2,340.81</u>	<u>2,313.23</u>	<u>2,265.71</u>	<u>2,244.82</u>	<u>2,148.40</u>	<u>2,207.40</u>	<u>2,149.37</u>	<u>2,030.30</u>	<u>1,995.28</u>
Total	<u>6,300.94</u>	<u>6,064.81</u>	<u>5,948.83</u>	<u>5,726.72</u>	<u>5,710.12</u>	<u>5,701.50</u>	<u>5,655.87</u>	<u>5,677.38</u>	<u>5,460.42</u>	<u>5,418.52</u>

JORDAN SCHOOL DISTRICT

Expenses by Function - Statement of Activities Last Six Fiscal Years June 30, 2001 through 2006

Function	Year Ended June 30,					
	2006	2005	2004	2003	2002	2001
Instruction	\$ 294,226,262 65.00%	\$ 260,246,692 63.67%	\$ 243,096,790 62.89%	\$ 238,901,719 63.89%	\$ 244,274,909 65.07%	\$ 230,308,687 64.79%
Support Services:						
Students	11,242,436 2.48%	10,966,878 2.68%	10,981,739 2.84%	10,240,762 2.74%	10,629,841 2.83%	9,856,736 2.77%
Instructional staff	22,162,252 4.90%	20,729,394 5.07%	20,057,254 5.19%	17,415,504 4.66%	13,344,000 3.55%	12,138,093 3.41%
General district administration	3,630,248 0.80%	3,400,182 0.83%	3,156,224 0.82%	2,721,798 0.73%	2,336,089 0.62%	2,248,771 0.63%
School administration	25,819,859 5.70%	24,631,791 6.03%	23,610,070 6.11%	22,382,234 5.99%	22,410,522 5.97%	21,196,796 5.96%
Accounting and purchasing services	3,506,613 0.77%	3,323,189 0.81%	3,162,076 0.82%	2,926,326 0.78%	2,849,727 0.76%	2,586,141 0.73%
Operation and maintenance of buildings	41,118,706 9.08%	37,139,774 9.09%	36,056,243 9.33%	34,489,669 9.22%	34,354,358 9.15%	33,143,066 9.32%
Student transportation	14,410,011 3.18%	12,820,032 3.14%	12,238,303 3.17%	11,261,133 3.01%	10,602,820 2.82%	10,189,646 2.87%
Personnel, planning, and data processing	5,922,790 1.31%	5,637,806 1.38%	5,007,521 1.30%	5,246,134 1.40%	5,004,073 1.33%	4,624,555 1.30%
Other support services	- 0.00%	163,750 0.04%	160,614 0.04%	158,810 0.04%	159,879 0.04%	155,826 0.04%
Nutrition services	22,521,782 4.98%	21,207,773 5.19%	20,301,660 5.25%	18,913,357 5.06%	18,663,589 4.97%	17,928,315 5.04%
Interest on long- term liabilities	8,074,936 1.78%	8,478,782 2.07%	8,695,929 2.25%	9,255,954 2.48%	10,789,926 2.87%	11,071,623 3.11%
Total	<u>\$ 452,635,895</u>	<u>\$ 408,746,043</u>	<u>\$ 386,524,423</u>	<u>\$ 373,913,400</u>	<u>\$ 375,419,733</u>	<u>\$ 355,448,255</u>
Average Daily Membership	77,366	75,426	74,316	73,351	72,835	72,515
Average Expenses Per Pupil	\$ 5,851	\$ 5,419	\$ 5,201	\$ 5,098	\$ 5,154	\$ 4,902

Note: The totals on percentages may not equal an even 100.00% due to rounding.

JORDAN SCHOOL DISTRICT

Expenses by Function Per Pupil - Statement of Activities Last Six Fiscal Years June 30, 2001 through 2006

Function	Year Ended June 30,					
	2006	2005	2004	2003	2002	2001
Instruction	\$ 3,803 65.00%	\$ 3,450 63.67%	\$ 3,271 62.89%	\$ 3,257 63.89%	\$ 3,354 65.07%	\$ 3,176 64.79%
Support Services:						
Students	145 2.48%	145 2.68%	148 2.84%	140 2.74%	146 2.83%	136 2.77%
Instructional staff	287 4.90%	275 5.07%	270 5.19%	237 4.66%	183 3.55%	167 3.41%
General district administration	47 0.80%	45 0.83%	42 0.82%	37 0.73%	32 0.62%	31 0.63%
School administration	334 5.70%	327 6.03%	318 6.11%	305 5.99%	308 5.97%	292 5.96%
Accounting and purchasing services	45 0.77%	44 0.81%	43 0.82%	40 0.78%	39 0.76%	36 0.73%
Operation and maintenance of buildings	531 9.08%	493 9.09%	485 9.33%	470 9.22%	472 9.15%	457 9.32%
Student transportation	186 3.18%	170 3.14%	165 3.17%	154 3.01%	145 2.82%	141 2.87%
Personnel, planning, and data processing	77 1.31%	75 1.38%	67 1.30%	72 1.40%	69 1.33%	64 1.30%
Other support services	0 0.00%	2 0.04%	2 0.04%	2 0.04%	2 0.04%	2 0.04%
Nutrition services	292 4.98%	281 5.19%	273 5.25%	258 5.06%	256 4.97%	247 5.04%
Interest on long- term liabilities	104 1.78%	112 2.07%	117 2.25%	126 2.48%	148 2.87%	153 3.11%
Total	<u>\$ 5,851</u>	<u>\$ 5,419</u>	<u>\$ 5,201</u>	<u>\$ 5,098</u>	<u>\$ 5,154</u>	<u>\$ 4,902</u>
Average Daily Membership	77,366	75,426	74,316	73,351	72,835	72,515

Note: The totals on percentages may not equal an even 100.00% due to rounding.

JORDAN SCHOOL DISTRICT

Expenditures by Function - General Fund Last Ten Fiscal Years June 30, 1997 through 2006

Function	Year Ended June 30,									
	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Instruction	\$ 243,679,846 66.68%	\$ 233,666,743 67.35%	\$ 214,197,201 66.30%	\$ 215,480,738 67.84%	\$ 221,250,591 69.60%	\$ 211,858,535 69.84%	\$ 201,002,986 70.87%	\$ 195,407,855 71.34%	\$ 181,800,214 71.26%	\$ 174,781,457 71.41%
Support Services:										
Students	11,241,169 3.08%	10,608,256 3.06%	10,668,958 3.30%	10,229,015 3.22%	10,352,810 3.26%	9,658,351 3.18%	9,212,765 3.25%	8,553,428 3.12%	8,140,015 3.19%	7,767,159 3.17%
Instructional staff	23,017,422 6.30%	21,832,050 6.29%	20,608,435 6.38%	17,627,396 5.55%	13,738,791 4.32%	12,413,292 4.09%	10,381,235 3.66%	10,387,521 3.79%	9,021,642 3.54%	8,780,862 3.59%
General district administration	2,423,188 0.66%	2,465,806 0.71%	2,272,711 0.70%	1,766,305 0.56%	1,393,860 0.44%	1,374,916 0.45%	1,261,826 0.44%	1,206,060 0.44%	1,141,185 0.45%	1,155,589 0.47%
School administration	24,844,438 6.80%	23,634,429 6.81%	22,757,649 7.04%	21,806,596 6.87%	21,697,453 6.83%	20,540,152 6.77%	18,267,118 6.44%	17,020,305 6.21%	15,840,980 6.21%	14,836,307 6.06%
Accounting and purchasing services	3,499,911 0.96%	3,303,665 0.95%	3,155,926 0.98%	2,942,937 0.93%	2,850,631 0.90%	2,586,490 0.85%	2,514,700 0.89%	2,571,066 0.94%	2,399,229 0.94%	2,352,210 0.96%
Operation and maintenance of buildings	38,534,055 10.54%	34,663,679 9.99%	33,791,776 10.46%	32,638,123 10.28%	32,395,320 10.19%	31,359,092 10.34%	28,587,711 10.08%	26,910,656 9.82%	25,558,922 10.02%	24,748,277 10.11%
Student transportation	12,280,486 3.36%	10,952,255 3.16%	10,436,765 3.23%	9,673,619 3.05%	9,035,572 2.84%	8,771,694 2.69%	8,061,563 2.84%	7,635,164 2.79%	6,934,320 2.72%	6,319,010 2.58%
Personnel, planning, and data processing	5,913,612 1.62%	5,629,889 1.62%	5,013,624 1.55%	5,289,573 1.67%	5,004,787 1.57%	4,628,021 1.53%	4,182,917 1.47%	4,058,419 1.48%	3,895,616 1.53%	3,711,571 1.52%
Other support services	- 0.00%	164,275 0.05%	161,114 0.05%	158,810 0.05%	160,020 0.05%	156,114 0.05%	154,406 0.05%	174,597 0.06%	378,300 0.15%	302,919 0.12%
Total	\$ 365,434,127	\$ 346,921,047	\$ 323,084,159	\$ 317,613,112	\$ 317,879,835	\$ 303,346,657	\$ 283,627,227	\$ 273,925,071	\$ 255,110,425	\$ 244,755,361
Average Daily Membership	77,366	75,426	74,316	73,351	72,835	72,515	72,573	72,985	72,741	72,504
Average Expenditures Per Pupil	\$ 4,723	\$ 4,599	\$ 4,347	\$ 4,330	\$ 4,364	\$ 4,183	\$ 3,908	\$ 3,753	\$ 3,507	\$ 3,376

Note: The totals on percentages may not equal an even 100.00% due to rounding.

JORDAN SCHOOL DISTRICT

Expenditures by Function Per Pupil - General Fund Last Ten Fiscal Years June 30, 1997 through 2006

Function	Year Ended June 30,									
	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Instruction	\$ 3,149 66.68%	\$ 3,098 67.35%	\$ 2,882 66.30%	\$ 2,938 67.84%	\$ 3,038 69.60%	\$ 2,922 69.84%	\$ 2,770 70.87%	\$ 2,677 71.34%	\$ 2,499 71.26%	\$ 2,411 71.41%
Support Services:										
Students	145 3.08%	141 3.06%	144 3.30%	140 3.22%	142 3.26%	133 3.18%	127 3.25%	117 3.12%	112 3.19%	107 3.17%
Instructional staff	298 6.30%	289 6.29%	277 6.38%	240 5.55%	188 4.32%	171 4.09%	143 3.66%	142 3.79%	124 3.54%	121 3.59%
General district administration	31 0.66%	33 0.71%	31 0.70%	24 0.56%	19 0.44%	19 0.45%	17 0.44%	17 0.44%	16 0.45%	16 0.47%
School administration	321 6.80%	313 6.81%	306 7.04%	297 6.87%	298 6.83%	283 6.77%	252 6.44%	233 6.21%	218 6.21%	205 6.06%
Accounting and purchasing services	45 0.96%	44 0.95%	42 0.98%	40 0.93%	39 0.90%	36 0.85%	35 0.89%	35 0.94%	33 0.94%	33 0.96%
Operation and maintenance of buildings	498 10.54%	459 9.99%	455 10.46%	445 10.28%	445 10.19%	432 10.34%	394 10.08%	369 9.82%	351 10.02%	341 10.11%
Student transportation	159 3.36%	145 3.16%	140 3.23%	132 3.05%	124 2.84%	121 2.89%	111 2.84%	105 2.79%	95 2.72%	87 2.58%
Personnel, planning, and data processing	77 1.62%	75 1.62%	68 1.55%	72 1.67%	69 1.57%	64 1.53%	57 1.47%	56 1.48%	54 1.53%	51 1.52%
Other support services	- 0.00%	2 0.05%	2 0.05%	2 0.05%	2 0.05%	2 0.05%	2 0.05%	2 0.06%	5 0.15%	4 0.12%
Total	<u>\$ 4,723</u>	<u>\$ 4,599</u>	<u>\$ 4,347</u>	<u>\$ 4,330</u>	<u>\$ 4,364</u>	<u>\$ 4,183</u>	<u>\$ 3,908</u>	<u>\$ 3,753</u>	<u>\$ 3,507</u>	<u>\$ 3,376</u>
Average Daily Membership	77,366	75,426	74,316	73,351	72,835	72,515	72,573	72,985	72,741	72,504

Note: The totals on percentages may not equal an even 100.00% due to rounding.

JORDAN SCHOOL DISTRICT

Nutrition Services - Facts and Figures Last Ten Fiscal Years June 30, 1997 through 2006

	Year Ended June 30,									
	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Number of schools participating in:										
Lunch - regular schedule	57	54	53	52	54	53	53	48	46	46
Lunch - year round	28	30	29	29	27	27	27	28	24	24
Breakfast program	37	35	23	23	22	20	19	18	15	13
Student lunches served:										
Free	1,522,144	1,499,266	1,408,478	1,296,373	1,159,886	1,046,467	992,370	946,693	922,553	952,845
Reduced	636,287	628,968	625,713	609,891	583,163	564,082	556,355	569,472	544,444	558,697
Fully paid	5,627,404	5,554,518	5,400,140	5,346,672	5,440,287	5,404,697	5,519,505	5,433,445	4,961,445	4,828,128
Total	7,785,835	7,682,752	7,434,331	7,252,936	7,183,336	7,015,246	7,068,230	6,949,610	6,428,442	6,339,670
Adult lunches served	163,476	168,402	159,643	160,324	169,033	165,654	180,865	180,808	180,170	170,145
Student breakfasts served:										
Free	336,477	310,136	235,791	217,362	187,705	163,984	152,303	139,738	124,416	126,675
Reduced	55,792	47,754	34,959	35,881	26,925	29,070	25,252	25,591	25,288	20,797
Fully paid	160,851	137,635	91,381	74,152	68,085	61,496	59,585	55,481	45,398	48,384
Total	553,120	495,525	362,131	327,395	282,715	254,550	237,140	220,810	195,102	195,856
Number of serving days:										
Regular schedule	177	177	177	177	177	177	177	177	177	177
Year-round schedule	226	226	226	226	226	226	226	226	226	226
Weighted average	193.14	194.50	194.33	194.54	193.33	193.54	193.54	195.05	193.80	193.80
Average daily participation:										
Student lunch	40,312	39,500	38,256	37,282	37,155	36,247	36,521	35,629	33,170	32,712
Adult lunch	846	866	822	824	874	856	935	927	930	878
Student breakfast	2,864	2,548	1,863	1,683	1,462	1,315	1,225	1,132	1,007	1,011
Average daily membership (kindergarten not included)	71,067	69,534	68,621	67,905	67,644	67,296	67,476	68,089	67,735	67,513
Percentage of students eating school lunch	56.72%	56.81%	55.75%	54.90%	54.93%	53.86%	54.12%	52.33%	48.97%	48.45%
Number of students on:										
Free lunch	11,928	11,578	10,980	10,251	9,178	8,075	9,209	8,674	7,944	7,731
Reduced lunch	5,017	5,050	5,064	4,960	4,688	4,345	4,679	4,856	4,627	4,292
Percentage of students on:										
Free lunch	16.78%	16.65%	16.00%	15.10%	13.57%	12.00%	13.65%	12.74%	11.73%	11.45%
Reduced lunch	7.06%	7.26%	7.38%	7.30%	6.93%	6.46%	6.93%	7.13%	6.83%	6.36%
Total	23.84%	23.91%	23.38%	22.40%	20.50%	18.46%	20.58%	19.87%	18.56%	17.81%

JORDAN SCHOOL DISTRICT

Student Enrollment Statistics Last Ten Fiscal Years June 30, 1997 through 2006

<u>Fiscal Year Ended June 30,</u>	<u>Average Daily Membership</u>	<u>Average Daily Attendance</u>	<u>Attendance Percentage</u>	<u>Official State October 1 Enrollment Count</u>
1997	72,504	68,576	94.58%	72,693
1998	72,741	68,584	94.29%	73,180
1999	72,985	68,748	94.19%	73,285
2000	72,573	67,566	93.10%	73,093
2001	72,515	67,420	92.97%	73,137
2002	72,835	67,889	93.21%	73,471
2003	73,351	70,105	95.57%	73,808
2004	74,316	71,222	95.84%	74,761
2005	75,426	72,340	95.91%	75,716
2006	77,366	73,617	95.15%	77,240

JORDAN SCHOOL DISTRICT

History of High School Graduates
Last Ten School Years
School Years 1996-97 through 2005-06

	<u>2005-06</u>	<u>2004-05</u>	<u>2003-04</u>	<u>2002-03</u>	<u>2001-02</u>	<u>2000-01</u>	<u>1999-00</u>	<u>1998-99</u>	<u>1997-98</u>	<u>1996-97</u>
Alta	706	730	795	736	678	737	779	780	721	848
Bingham	621	619	581	575	578	437	528	811	853	755
Brighton	657	613	695	627	704	686	771	725	750	730
Copper Hills	501	516	477	433	464	584	626	609	420	389
Hillcrest	395	463	453	407	465	489	544	581	572	583
Itineris	53	-	-	-	-	-	-	-	-	-
Jordan	514	606	578	609	610	606	692	738	681	540
Riverton	709	654	639	596	568	536	450	-	-	-
West Jordan	507	568	582	505	575	568	683	667	569	580
Valley	265	340	287	294	267	285	257	215	176	190
Total	4,928	5,109	5,087	4,782	4,909	4,928	5,330	5,126	4,742	4,615

JORDAN SCHOOL DISTRICT

Number of Students Per Teacher Last Ten School Years School Years 1996-97 through 2005-06

Grade	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01	1999-00	1998-99	1997-98	1996-97
Kindergarten	46.20	46.20	46.20	46.20	45.70	45.70	45.70	44.70	44.25	44.40
1	22.00	22.50	22.50	22.50	22.00	22.00	22.00	21.50	21.05	21.20
2	22.80	22.80	22.80	22.80	22.30	22.30	22.30	21.80	21.35	21.50
3	24.30	24.30	24.30	24.30	23.80	23.80	23.80	23.30	22.85	23.00
4	26.40	26.40	26.40	26.40	25.90	25.90	25.90	25.40	24.95	25.10
5	26.40	26.40	26.40	26.40	25.90	25.90	25.90	25.40	24.95	25.10
6	26.40	26.40	26.40	26.40	25.90	25.90	25.90	25.40	24.95	25.10
7	26.80	26.80	26.80	26.80	26.30	26.30	26.30	25.80	26.95	26.95
8	26.80	26.80	26.80	26.80	26.30	26.30	26.30	25.80	26.95	26.95
9	27.50	27.50	27.50	27.50	27.00	27.70	27.90	27.40	26.95	26.95
10	27.00	27.00	27.00	27.00	26.50	26.50	26.50	25.95	25.30	25.30
11	27.00	27.00	27.00	27.00	26.50	26.50	26.50	25.95	25.30	25.30
12	27.00	27.00	27.00	27.00	26.50	26.50	26.50	25.95	25.30	25.30

Note: The above represents the number of students that are required to hire one teacher. Actual class sizes may vary widely depending on the move-in patterns of students, etc.

JORDAN SCHOOL DISTRICT

Teacher Compensation Data Last Ten Fiscal Years June 30, 1997 through 2006

Fiscal Year Ending June 30,	Bachelor Degree 1st Year Teacher Wage	Doctorate Degree 25th Year Teacher Wage	District Average* Teacher Wage	District Average* Teacher Benefits**	Total District Average* Teacher Compensation	State Average* Teacher Compensation
1997	\$ 20,996	\$ 42,273	\$ 31,643	\$ 12,536	\$ 44,179	\$ 44,258
1998	22,564	45,339	31,538	11,696	43,234	44,789
1999	23,309	46,796	33,672	13,733	47,405	47,127
2000	23,713	47,587	34,432	13,880	48,312	48,331
2001	24,605	49,331	36,186	14,905	51,091	51,495
2002	25,614	51,493	37,636	14,322	51,958	52,792
2003	25,614	51,493	38,016	14,580	52,596	53,268
2004	25,614	51,493	37,514	14,940	52,454	53,396
2005	25,614	51,744	38,237	16,676	54,913	57,001
2006	26,382	53,260	na	na	na	na

* As calculated and reported by the Utah State Office of Education in the Annual Statistical Report

** Includes all benefits including State retirement, but does not include District retirement benefits

na - This information was not available when this report was published.

JORDAN SCHOOL DISTRICT

Capital Asset Information Last Ten Fiscal Years June 30, 1997 through 2006

	Fiscal Year Ended June 30,									
	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Buildings:										
Elementary Schools										
Number	57	56	54	53	53	53	53	51	47	47
Square feet	3,524,892	3,443,613	3,297,970	3,226,689	3,226,689	3,226,689	3,226,689	3,098,111	2,841,167	2,841,167
Capacity	36,552	35,736	34,128	33,336	33,336	33,336	33,336	31,896	29,184	29,184
Enrollment	42,154	40,760	39,843	39,196	38,943	38,669	38,437	38,381	38,346	37,964
Percent of Capacity	115.33%	114.06%	116.75%	117.58%	116.82%	116.00%	115.30%	120.33%	131.39%	130.08%
Average Age	27.28	26.75	27.43	27.28	26.28	25.28	24.28	24.20	25.17	24.17
Middle Schools										
Number	17	15	15	15	15	15	15	15	14	14
Square feet	2,654,114	2,279,480	2,279,480	2,279,480	2,279,480	2,279,480	2,279,480	2,279,480	2,130,952	2,130,952
Capacity	22,161	19,361	19,361	19,361	19,361	19,361	19,361	19,361	18,111	18,111
Enrollment	17,289	17,372	17,244	17,107	16,991	16,931	16,819	17,109	17,143	17,434
Percent of Capacity	78.02%	89.73%	89.07%	88.36%	87.76%	87.45%	86.87%	88.37%	94.66%	96.26%
Average Age	25.12	27.33	26.33	25.33	24.33	23.33	22.33	21.33	21.79	20.79
High Schools ****										
Number	12	11	11	11	10	10	10	9	9	9
Square feet	2,989,647	2,903,340	2,903,340	2,903,340	2,863,520	2,863,520	2,863,520	2,485,920	2,485,920	2,485,920
Capacity **	19,952	19,802	19,802	19,802	19,652	19,652	19,652	17,152	17,152	17,152
Enrollment	17,319	17,155	17,257	17,125	17,162	17,153	17,458	17,418	17,369	16,995
Percent of Capacity	86.80%	86.63%	87.15%	86.48%	87.33%	87.28%	88.84%	101.55%	101.27%	99.08%
Average Age	24.92	26.09	25.09	24.09	25.40	24.40	23.40	24.89	23.89	22.89
Special Schools										
Number	3	3	3	3	3	3	3	3	3	3
Square feet	135,875	135,875	135,875	108,636	108,636	108,636	108,636	108,636	108,636	108,636
Capacity **	600	600	600	600	550	550	550	550	550	550
Enrollment	478	429	417	380	375	384	379	377	322	300
Percent of Capacity	79.67%	71.50%	69.50%	63.33%	68.18%	69.82%	68.91%	68.55%	58.55%	54.55%
Average Age	37.67	36.67	35.67	34.67	43.33	42.33	41.33	40.33	39.33	38.33
Other Buildings										
Number	6	6	6	6	6	6	6	6	5	5
Square feet	256,896	256,896	256,896	256,896	256,896	256,896	256,896	256,896	247,304	247,304
Average Age	31.00	30.00	29.00	28.00	27.00	26.00	25.00	24.00	27.60	26.60
Total Buildings										
Number *	95	91	89	88	87	87	87	84	78	78
Square feet	9,561,424	9,019,204	8,873,561	8,775,041	8,735,221	8,735,221	8,735,221	8,229,043	7,813,979	7,813,979
Capacity	79,265	75,499	73,891	73,099	72,899	72,899	72,899	68,959	64,997	64,997
Enrollment	77,240	75,716	74,761	73,808	73,471	73,137	73,093	73,285	73,180	72,693
Percent of Capacity	97.45%	100.29%	101.18%	100.97%	100.78%	100.33%	100.27%	106.27%	112.59%	111.84%
Average Age	27.16	27.31	27.34	27.18	26.48	25.48	24.48	24.32	25.12	24.12
Number of Portables ***	212	214	214	210	199	200	200	200	200	188
Acres of Land	1,921.26	1,911.76	1,881.72	1,830.65	1,801.59	1,741.89	1,741.35	1,696.71	1,563.44	1,426.30
Number of Vehicles	621	54	577	559	537	506	514	503	491	439

* The number of schools may not match the number of operating schools due to schools just constructed not yet opened, schools closed but still being maintained, or timing of demolition and construction of replacement schools. Each school may have a couple of buildings associated with it; however, however, for purposes of this schedule, each school campus is considered one building.

** The capacity at the technical centers and the special schools is an estimate. Capacity at these schools varies based on the needs of the students and the curriculum offered.

*** Portables are not included in a school's capacity or square footage calculations.

**** Includes two technical centers and two alternative high schools.

JORDAN SCHOOL DISTRICT

Statements of Net Assets Governmental Activities Last Six Fiscal Years June 30, 2001 through 2006 (accrual basis of accounting)

	As of June 30,					
	2006	2005	2004	2003	2002	2001
Assets:						
Cash and investments	\$ 245,445,654	\$ 196,833,400	\$ 183,369,490	\$ 159,843,918	\$ 118,493,251	\$ 121,683,501
Accounts receivable:						
Property taxes	182,223,964	178,616,221	168,679,585	148,477,182	145,256,990	138,748,236
Other local	21,585	81,918	14,068	53,881	425,920	185,943
State of Utah	1,967,551	1,013,303	1,010,895	874,218	17,999,486	783,863
Federal government	8,063,779	6,622,913	5,039,752	6,718,561	9,474,564	4,549,376
Inventories	3,139,035	3,168,876	3,130,886	3,245,975	3,619,511	4,118,860
Bond issuance costs, net of accumulated amortization	1,217,661	1,097,415	1,043,653	802,355	229,237	110,272
Capital assets:						
Sites and construction in progress	61,358,816	99,715,199	67,989,288	58,143,895	37,362,159	33,801,395
Other capital assets, net of accumulated depreciation	598,004,953	529,983,261	509,216,961	489,582,054	486,679,032	470,712,638
Total assets	1,101,442,998	1,017,132,506	939,494,578	867,742,039	819,540,150	774,694,084
Liabilities:						
Accounts payable	20,226,901	21,701,652	17,079,878	14,175,246	12,179,909	14,837,931
Accrued payroll and related benefits	24,445,352	24,068,458	23,081,348	22,477,769	22,518,414	21,598,536
Accrued interest	256,041	302,020	329,339	342,607	409,326	430,867
Deferred revenue:						
Property taxes	177,793,884	173,588,605	163,260,192	140,835,600	138,207,700	132,255,000
Other local	651,858	593,551	760,521	264,427	239,807	223,978
State of Utah	17,608,427	15,268,850	13,450,850	11,481,010	9,128,353	10,250,246
Federal government	719,757	142,214	1,543,418	2,201,337	1,807,865	1,330,024
Noncurrent liabilities:						
Due within one year	34,415,750	31,261,196	27,963,170	26,332,839	23,808,609	21,385,670
Due in more than one year	163,270,530	149,521,004	161,675,765	165,836,449	177,625,536	185,852,973
Total liabilities	439,388,500	416,447,550	409,144,481	383,947,284	385,925,519	388,165,225
Net Assets:						
Invested in capital assets, net of related debt	488,676,500	458,415,301	397,102,894	365,424,751	332,604,261	304,839,248
Restricted for:						
Nutrition services	6,172,995	4,977,899	4,247,214	4,135,156	3,252,400	2,865,970
Non K-12 programs	3,505,613	3,389,157	2,848,201	2,628,455	1,944,206	1,239,762
Jordan Education Foundation	857,612	802,277	674,650	649,648	655,612	589,320
Capital projects	79,722,174	56,302,977	60,552,824	52,939,642	47,759,401	36,574,481
Debt service	6,957,087	2,745,532	4,396,899	3,793,486	1,919,108	2,962,365
Unrestricted	76,162,517	74,051,813	60,527,415	54,223,617	45,479,643	37,457,713
Total net assets	\$ 662,054,498	\$ 600,684,956	\$ 530,350,097	\$ 483,794,755	\$ 433,614,631	\$ 386,528,859

Source: Information taken from the District's audited financial statements. This summary itself has not been audited.

JORDAN SCHOOL DISTRICT

**General Fund
Comparative Balance Sheets
Last Six Fiscal Years
June 30, 2001 through 2006
(modified accrual basis of accounting)**

	As of June 30,					
	2006	2005	2004	2003	2002	2001
Assets:						
Cash and investments	\$ 133,334,432	\$ 111,919,621	\$ 95,555,455	\$ 84,030,148	\$ 57,253,420	\$ 69,139,309
Accounts receivable:						
Property taxes	83,369,604	73,766,165	71,191,410	60,280,615	56,756,741	53,744,953
Other local	8,285	81,918	14,068	53,881	425,920	3,000
State of Utah	413,788	372,008	349,860	452,120	16,919,692	410,073
Federal government	7,754,285	5,779,146	4,353,090	5,946,848	8,570,403	3,971,642
Inventories	2,227,943	2,299,303	2,193,904	2,223,500	2,278,494	2,518,224
Total assets	<u>\$ 227,108,337</u>	<u>\$ 194,218,161</u>	<u>\$ 173,657,787</u>	<u>\$ 152,987,112</u>	<u>\$ 142,204,670</u>	<u>\$ 129,787,201</u>
Liabilities and Fund Balances:						
Liabilities:						
Accounts payable	\$ 2,735,656	\$ 2,916,334	\$ 2,010,225	\$ 1,637,987	\$ 1,767,893	\$ 2,854,397
Accrued payroll and related benefits	24,445,352	24,068,458	23,081,348	22,477,769	22,518,414	21,598,536
Deferred revenue:						
Property taxes	82,951,984	73,184,754	70,724,644	59,337,553	55,966,552	52,942,428
Other local	328,133	297,531	463,992	252,283	211,041	198,212
State of Utah	16,158,582	13,851,646	12,251,995	10,763,652	8,905,103	10,062,920
Federal government	719,757	142,214	1,543,418	2,201,337	1,807,865	1,306,716
Total liabilities	<u>127,339,464</u>	<u>114,460,937</u>	<u>110,075,622</u>	<u>96,670,581</u>	<u>91,176,868</u>	<u>88,963,209</u>
Fund balances:						
Reserved for encumbrances	1,394,954	1,177,566	538,485	842,800	1,871,824	567,700
Reserved for programs	3,997,723					
Reserved for inventories	2,227,943	2,299,303	2,193,904	2,223,500	2,278,494	2,518,224
Unreserved:						
Designated for:						
Undistributed reserve	18,200,000	17,350,000	12,000,000	12,000,000	7,000,000	6,000,000
Vocational construction	779,675	670,814	816,415	665,092	1,009,311	797,604
Programs	11,969,032	8,142,382	6,306,382	6,693,643	6,101,074	4,632,694
Compensated absences	10,922,064	2,082,980	1,958,933	1,776,253	1,705,113	1,562,085
Retiree benefits	23,241,259	27,000,000	21,000,000	14,000,000	7,407,130	3,028,156
Undesignated	27,036,223	21,034,179	18,768,046	18,115,243	23,654,856	21,717,529
Total fund balances	<u>99,768,873</u>	<u>79,757,224</u>	<u>63,582,165</u>	<u>56,316,531</u>	<u>51,027,802</u>	<u>40,823,992</u>
Total liabilities and fund balances	<u>\$ 227,108,337</u>	<u>\$ 194,218,161</u>	<u>\$ 173,657,787</u>	<u>\$ 152,987,112</u>	<u>\$ 142,204,670</u>	<u>\$ 129,787,201</u>

Source: Information taken from the District's audited financial statements. This summary itself has not been audited.

JORDAN SCHOOL DISTRICT

General Fund Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances Last Six Fiscal Years June 30, 2001 through 2006 (modified accrual basis of accounting)

	Proposed Budget 2006-07	2006	2005	Fiscal Year Ended June 30,			
				2004	2003	2002	2001
Revenues:							
Property taxes	\$ 76,470,800	\$ 76,635,360	\$ 71,302,163	\$ 60,027,374	\$ 56,872,141	\$ 52,977,690	\$ 52,360,073
Interest	6,027,000	7,414,352	3,659,243	1,883,750	2,186,664	2,720,829	4,876,372
Other local sources	9,130,255	10,340,970	10,192,665	9,202,913	9,363,926	8,068,943	7,843,198
State of Utah	283,315,987	252,686,489	242,919,490	228,853,574	224,227,070	233,272,726	223,129,772
Federal government	23,646,837	23,196,294	21,048,477	17,668,214	18,123,611	16,010,887	12,313,898
Total revenues	398,590,879	370,273,465	349,122,038	317,635,825	310,773,412	313,051,075	300,523,313
Expenditures:							
Instruction	288,985,404	243,679,846	233,666,743	214,197,201	215,480,738	221,250,591	211,858,535
Support services:							
Students	12,053,374	11,241,169	10,608,256	10,668,958	10,229,015	10,352,810	9,658,351
Instructional staff	23,851,832	23,017,422	21,832,050	20,608,435	17,627,396	13,738,791	12,413,292
General district administration	3,130,335	2,423,188	2,465,806	2,272,711	1,766,305	1,393,860	1,374,916
School administration	26,151,460	24,844,438	23,634,429	22,757,649	21,806,596	21,697,453	20,540,152
Accounting and purchasing services	3,614,080	3,499,911	3,303,665	3,155,926	2,942,937	2,850,631	2,586,490
Operation and maintenance							
of buildings	41,892,585	38,534,055	34,663,679	33,791,776	32,638,123	32,395,320	31,359,092
Student transportation	12,574,695	12,280,486	10,952,255	10,436,765	9,673,619	9,035,572	8,771,694
Personnel, planning, and data processing	7,788,376	5,913,612	5,629,889	5,013,624	5,289,573	5,004,787	4,628,021
Other support services	180,511	-	164,275	161,114	158,810	160,020	156,114
Total expenditures	420,222,652	365,434,127	346,921,047	323,064,159	317,613,112	317,879,835	303,346,657
Excess (deficiency) of revenues over (under) expenditures	(21,631,773)	4,839,338	2,200,991	(5,428,334)	(6,839,700)	(4,828,760)	(2,823,344)
Other financing sources:							
Capital lease					155,787	1,498,119	-
Transfers	13,454,000	15,172,311	13,974,068	12,693,968	11,972,642	13,534,451	14,151,460
Total other financing sources	13,454,000	15,172,311	13,974,068	12,693,968	12,128,429	15,032,570	14,151,460
Net change in fund balance	(8,177,773)	20,011,649	16,175,059	7,265,634	5,288,729	10,203,810	11,328,116
Fund balances - beginning	78,943,447	79,757,224	63,582,165	56,316,531	51,027,802	40,823,992	23,956,093
Fund balances - ending	\$ 70,765,674	\$ 99,768,873	\$ 79,757,224	\$ 63,582,165	\$ 56,316,531	\$ 51,027,802	\$ 35,284,209

Note - The difference between the ending fund balance of \$35,284,209 for FYE June 30, 2001 and the beginning fund balance of \$40,823,992 for FYE June 30, 2002 is \$5,539,783. This difference is the result of a restatement of FYE June 30, 2001 for GASB Statement No. 34, which reclassified originally recorded liabilities (accrued vacation payable - \$1,562,085 and accrued sick leave and early retirement payables - \$3,028,156) as designations of fund balance, and the redefining of the Vocational Construction Fund as part of the General Fund - \$949,542.

Source: Information taken from the District's audited financial statements. This summary itself has not been audited.

JORDAN SCHOOL DISTRICT

Historical Summaries of Taxable Values of Property
For the Tax Years Ended December 31, 1996, through 2005
Last Ten Tax Years
December 31, 1996 through 2005

	2005	% of	2004	2003	2002
	Taxable Value	T.V.	Taxable Value	Taxable Value	Taxable Value
<i>Set by State Tax Commission- Centrally Assessed</i>	\$ 917,610,642	4.3	\$ 856,492,904	\$ 768,982,506	\$ 776,449,854
<i>Set by County Assessor- Locally Assessed:</i>					
<i>Real Property:</i>					
Residential real estate-primary use	12,542,416,352	58.4	11,308,211,513	10,496,317,285	10,008,239,617
Residential real estate-not primary use	1,198,874,470	5.6	1,061,077,490	977,271,740	924,645,590
Commercial and industrial real estate	4,063,058,550	18.9	3,696,854,960	3,504,567,790	3,348,598,180
Agricultural - FAA	49,443,030	0.2	41,613,500	43,341,650	44,500,830
Unimproved non FAA	787,480	0.0	526,750	1,543,550	1,328,050
Total Real Property	17,854,579,882	83.2	16,108,284,213	15,023,042,015	14,327,312,267
<i>Personal Property:</i>					
Fee in lieu property	1,866,749,053	8.7	1,849,172,356	1,439,429,682	1,771,167,860
Mobile homes-primary residential use	14,160,732	0.1	15,871,239	18,768,435	19,130,633
Mobile homes-other use	1,472,632	0.0	1,342,312	1,484,087	1,234,673
Commercial and industrial property	815,289,548	3.8	795,949,773	808,149,870	854,737,444
Total Personal Property	2,697,671,965	12.6	2,662,335,680	2,267,832,074	2,646,270,610
Total Locally Assessed	20,552,251,847	95.7	18,770,619,893	17,290,874,089	16,973,582,877
Total Taxable Property	\$ 21,469,862,489	100.0	\$ 19,627,112,797	\$ 18,059,856,595	\$ 17,750,032,731

Source: Property Tax Division, Utah State Tax Commission.

Tax Year Ended December 31,

2001	2000	1999	1998	1997	1996
Taxable Value	Taxable Value	Taxable Value	Taxable Value	Taxable Value	Taxable Value
\$ 897,947,085	\$ 920,085,217	\$ 882,214,215	\$ 911,993,150	\$ 1,017,053,221	\$ 907,772,960
9,269,362,474	8,776,556,749	8,093,536,802	7,602,242,717	7,142,718,090	6,151,334,020
868,036,030	778,759,440	724,800,690	793,961,570	838,352,050	741,030,260
3,132,880,030	2,657,926,090	2,225,639,820	2,024,620,200	1,809,802,140	1,493,672,010
55,625,030	50,460,090	39,516,710	37,652,040	52,358,500	35,029,520
1,453,620	2,018,450	8,889,270	9,608,540	3,610,410	3,368,090
13,327,357,184	12,265,720,819	11,092,383,292	10,468,085,067	9,846,841,190	8,424,433,900
1,623,626,592	1,444,928,643	1,499,536,741	1,499,536,741	1,351,370,868	1,084,683,651
19,798,233	22,483,833	20,990,384	19,821,418	16,014,209	12,071,178
1,579,621	1,332,593	1,569,078	1,441,343	1,133,822	1,177,354
751,271,718	665,816,740	657,874,393	598,978,167	515,261,747	437,191,456
2,396,276,164	2,134,561,809	2,179,970,596	2,119,777,669	1,883,780,646	1,535,123,639
15,723,633,348	14,400,282,628	13,272,353,888	12,587,862,736	11,730,621,836	9,959,557,539
\$ 16,621,580,433	\$ 15,320,367,845	\$ 14,154,568,103	\$ 13,499,855,886	\$ 12,747,675,057	\$ 10,867,330,499

JORDAN SCHOOL DISTRICT

This page intentionally left blank.

JORDAN SCHOOL DISTRICT
SINGLE AUDIT AND STATE OF UTAH
LEGAL COMPLIANCE REPORTS

Year Ended June 30, 2006

TABLE OF CONTENTS

	Page
Schedule of Expenditures of Federal Awards	1
Notes to Schedule of Expenditures of Federal Awards	2
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	3
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	4
Summary Schedule of Prior Audit Findings	6
Schedule of Findings and Questioned Costs	7
Independent Auditor's Report on Legal Compliance in Accordance with the <i>Utah State Legal Compliance Audit Guide</i>	8
Letter to Management	10

JORDAN SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2006

Grantor/Pass-through Grantor/Program Title	CFDA Number	USOE Revenue Code	District's Program Number	(Deferral) Receivable June 30, 2005	Received	Expended	(Deferral) Receivable June 30, 2006
U.S. DEPARTMENT OF AGRICULTURE:							
Passed Through Utah State Office of Education (USOE):							
Food Donation (Commodities)	10.550		8001	\$ -	\$ 1,422,010	\$ 1,422,010	\$ -
School Breakfast Program	10.553	44	8001	22,427	574,824	568,875	16,478
National School Lunch Program	10.555	42	8001	90,430	1,729,449	1,712,884	73,865
National School Lunch Program	10.555	43	8001	212,293	4,325,827	4,278,190	164,656
Child and Adult Care Food Program	10.558	47	8001	167	5,216	5,284	235
Summer Food Service Program for Children	10.559	48	8001	47,311	157,905	164,854	54,260
Fresh Fruit and Vegetable Program	10.582	51	8001	-	14,904	14,904	-
				372,628	8,230,135	8,167,001	309,494
U.S. DEPARTMENT OF EDUCATION:							
Direct:							
Indian Education - Grants to Local Educational Agencies	84.060		7322	25,418	72,891	61,887	14,414
Tech-Prep Education	84.243		6950	18,817	88,394	155,912	86,335
Fund for the Improvement of Education (FIE)	84.215		various	13,696	887,628	1,040,026	166,094
Passed Through Utah State Office of Education:							
Adult Education - State Grant Program	84.002	33	7580/7582	119,239	248,485	206,985	77,739
Title I Grants to Local Educational Agencies	84.010	10	7506/7511	859,685	3,746,138	4,155,944	1,269,491
Migrant Education - State Grant Program	84.011	11/15	7548	16,353	89,063	125,842	53,132
Title I Program for Neglected and Delinquent Children	84.013	13	7516/7517	49,032	21,449	66,607	94,190
Special Education - Grants to States	84.027	19	7551	3,292,084	10,562,184	11,993,808	4,723,708
Vocational Education - Basic Grants to States	84.048	21	6900	311,557	732,219	709,975	289,313
Special Education - Preschool Grants	84.173	52	7550	79,155	333,503	309,902	55,554
Safe and Drug-Free Schools and Communities - State Grants	84.186	09	7311	169,208	269,788	242,983	142,403
Education for Homeless Children and Youth	84.196	28	5218	-	30,000	30,000	-
Goals 2000 - State and Local Education Systemic Improvement Grants	84.276	78	5112/7508	(13,368)	-	-	(13,368)
Eisenhower Professional Development State Grants	84.281	16	7650	(15,332)	-	8,185	(7,147)
Charter Schools	84.282	54	n/a	150,000	230,200	185,263	105,063
Twenty-First Century Community Learning Centers	84.287	60	7910	32,208	137,001	180,143	75,350
State Grants for Innovative Programs	84.298	91	7655/7792	64,590	224,716	199,831	39,705
Education Technology State Grants	84.318	07	7870	75,485	76,797	94,147	92,835
Teacher Quality Enhancement Grants	84.336	30	7635/7862	28,975	28,975	-	-
Arts in Education	84.351	01	7530	-	2,250	2,250	-
English Language Acquisition Grants	84.365	73	7628	130,870	309,667	265,227	86,430
Improving Teacher Quality State Grants	84.367	74	7860	515,219	1,547,951	1,583,660	550,928
Passed Through Provo School District:							
Special Education - State Program Improvement Grants for Children with Disabilities	84.323		7520	(30,515)	-	30,515	-
Passed Through the Utah State Department of Health:							
Special Education - Grants for Infants and Families with Disabilities	84.181		7760	239,843	406,441	566,531	399,933
				6,132,219	20,045,740	22,215,623	8,302,102
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:							
Passed Through Utah State Office of Education:							
Refugee and Entrant Assistance - Discretionary Grants	93.576	25	7630	18,971	18,971	-	-
Passed Through the Utah State Department of Health:							
Developmental Disabilities Basic Support and Advocacy Grants	93.630		7755	13,111	73,240	73,698	13,569
Medical Assistance Program	93.778		7590/7700	(15,254)	3,184,282	2,500,295	(699,241)
Passed Through Salt Lake County:							
Consolidated Knowledge Development and Application Program	93.230		7725	(50,419)	20,001	70,420	-
				(33,591)	3,296,494	2,644,413	(685,672)
COMMISSION FOR NATIONAL AND COMMUNITY SERVICE:							
Passed Through Utah State Office of Education:							
Learn and Serve America - School and Community Based Programs	94.004	53	7603/7750	9,446	9,446	7,596	7,596
Total federal awards				\$ 6,480,702	\$ 31,581,815	\$ 33,034,633	\$ 7,933,520

The accompanying notes are an integral part of this schedule.

JORDAN SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. General

The schedule of expenditures of federal awards presents the activity of all federal award programs of Jordan School District (District). The District reporting entity is defined in Note 1 to the District's basic financial statements. All federal awards received directly from federal agencies as well as federal awards passed through from other government agencies are included on the schedule.

Note 2. Basis of Accounting

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting for awards received by governmental funds as described in Note 1 to the District's financial statements.

Most of the federal awards are expenditure-driven grants. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met; grants received in advance are recorded as deferred revenue until earned. Donated food commodities are recorded at fair value in the Nutrition Services Fund as an inventory asset and federal revenue when received. Donated food commodity inventories are recorded as expenditures when they are transferred to schools for consumption.

Note 3. Relationship to District's Financial Statements

Federal awards expended on the schedule of expenditures of federal awards for the year ended June 30, 2006 are reported in the District's financial statements as federal government revenues as follows:

General Fund	\$ 23,196,294
Nutrition Services Fund (Special Revenue Fund)	8,167,001
Non K-12 Programs Fund (Special Revenue Fund)	<u>1,671,338</u>
	<u>\$ 33,034,633</u>



**Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance With *Government Auditing Standards***

Board of Education
Jordan School District

We have audited the financial statements of Jordan School District as of and for the year ended June 30, 2006 and have issued our report thereon dated September 14, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Jordan School District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of Jordan School District in a separate letter dated September 14, 2006.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Jordan School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Education, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Squire & Company, PC

September 14, 2006



**Independent Auditor's Report on Compliance with
Requirements Applicable to Each Major Program and on Internal
Control over Compliance in Accordance with OMB Circular A-133**

Board of Education
Jordan School District

Compliance

We have audited the compliance of Jordan School District with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2006. Jordan School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Jordan School District's management. Our responsibility is to express an opinion on Jordan School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Jordan School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Jordan School District's compliance with those requirements.

In our opinion, Jordan School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2006.

Internal Control Over Compliance

The management of Jordan School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Jordan School District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major

federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jordan School District as of and for the year ended June 30, 2006, and have issued our report thereon dated September 14, 2006. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Jordan School District's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Board of Education, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Agui & Company, PC

September 14, 2006

JORDAN SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2006

No matters were reported in the prior year.

JORDAN SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2006

I. Summary of auditor's results:

Financial Statements:

Type of auditor's report issued: unqualified

Internal control over financial reporting:

-Material weakness(es) identified? yes X no

-Reportable condition(s) identified that are not considered to be material weaknesses?
 yes X none reported

Noncompliance material to financial statements noted?
 yes X no

Federal Awards:

Internal control over major programs:

-Material weakness(es) identified? yes X no

-Reportable condition(s) identified that are not considered to be material weakness(es)?
 yes X none reported

Type of auditor's report issued on compliance for major programs: unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? Yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010	Title I Grants to Local Educational Agencies
84.181	Special Education - Grants for Infants and Families with Disabilities
84.215	Fund for the Improvement of Education (FIE)
84.367	Improving Teacher Quality State Grants
93.778	Medical Assistance Program

Dollar threshold used to distinguish between type A and type B programs: \$ 991,039

Auditee qualified as low-risk auditee? X yes no

II. Financial statement findings:
No matters were reported.

III. Federal award findings and questioned costs:
No matters were reported.



Independent Auditor's Report on Legal Compliance in
Accordance with the *Utah State Legal Compliance Audit Guide*

Board of Education
Jordan School District

We have audited the financial statements of Jordan School District as of and for the year ended June 30, 2006 and have issued our report thereon dated September 14, 2006. As part of our audit, we have audited the District's compliance with the requirements governing types of services allowed or unallowed; eligibility; matching; level of effort; or earmarking; and special tests and provisions applicable to each of its major state assistance programs as required by the *State of Utah Legal Compliance Audit Guide* for the year ended June 30, 2006. The District received the following major state assistance programs from the State of Utah (each passed through the State Office of Education):

Minimum School Program
School Building Program

Driver Education
Correctional Institution Education Programs

The District also received nonmajor state grants, which are not required to be audited for specific compliance requirements; however, these grants were subject to test work as part of the audit of the District's financial statements.

Our audit also included test work on the District's compliance with those general compliance requirements identified in the *State of Utah Legal Compliance Audit Guide* including:

Public Debt
Purchasing Requirements
Truth in Taxation and Property Tax Limitations

Cash Management
Budgetary Compliance
Other General Compliance Issues

The management of the District is responsible for the District's compliance with all compliance requirements identified above. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures disclosed no instances of noncompliance with the requirements referred to above.

In our opinion, Jordan School District complied, in all material respects, with the general compliance requirements identified above and the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; and special tests and provisions that are applicable to each of its major state assistance programs for the year ended June 30, 2006.

Agui & Company, PC

September 14, 2006

Squire & Company, PC
Certified Public Accountants and Business Consultants



1329 SOUTH 800 EAST • OREM, UTAH 84097-7700 • (801)225-6900 • FAX (801)226-7739

Letter to Management

September 14, 2006

Board of Education
Jordan School District

In planning and performing our audit of the financial statements of Jordan School District for the year ended June 30, 2006, we noted certain matters for your consideration. This letter summarizes our comments and suggestions regarding those matters. This letter does not affect our report dated September 14, 2006, on the financial statements of the District. Also, reportable conditions and material internal control weaknesses, if any, are included in our reports dated September 14, 2006, in accordance with *Government Auditing Standards* and the provisions of Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

Prior year comments

The District has addressed and resolved comments made in the prior year.

Current year comments

Individual school accounting – We visited approximately one-third of the schools throughout the District this year. We focused on the areas of financial accounting, equipment management, and membership accounting during our visits. Certain minor exceptions with established guidelines and procedures were noted. We discussed these exceptions with school personnel at the completion of each visit. We have also reported our findings to management. We encourage continued training of principals and secretaries involved with individual school accounting. We recommend subsequent review of the exceptions noted.

Views of Responsible Officials – The District will continue to provide financial training and support to school principals and secretaries. All exceptions to established District guidelines and procedures will be reviewed with the school principals by District administration.

We will review the status of these comments during our next audit engagement. We have already discussed in detail these comments and suggestions with management and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing recommendations. We appreciated being able to work with District personnel in our audit. We note those we worked with in the audit and reporting process were very responsive and helpful. We also noted management's ability and sensitivity to display and communicate an appropriate attitude regarding internal control and the financial reporting process.

Squire & Company, PC

Squire & Company, PC